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A Sovereign People

A STUDY OF SWISS DEMOCRACY

BY

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EDITED BY

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PREFACE

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Robert Hunter
GIFT OF

IN 1901 and 1902 Henry Demarest Lloyd paid two long visits to Switzerland in order to make a close study of the structure and working of democracy as expressed in the social institutions of that country. The kernel of his investigation was the direct government exercised by the people through the use of the referendum and the initiative. He sought by an intimate research into its recent history to understand how this democracy had set about to secure and enlarge the political and economic liberties of the people, and in particular to protect the nation against the dangers which the concentration of wealth and power under capitalist industry have everywhere evoked. Visiting a number of the centres of industry and politics, he talked with all sorts and conditions of men, statesmen, professors, business men and workers, probing them closely upon the living issues of their time, the Nationalisation of the Railroads, the Alcohol Monopoly, the Banking and Insurance Policy, etc., seeking to learn how the popular will was stirred into legislative activity, how far the referendum gave a reliable and reasonable expression to this will, how far ignorance, passion, and prejudice narrow its efficacy, and what sorts of fruits were gathered from democratic legislation. He did not, however, confine his attention to politics: the organised co-operation of the people for all sorts of purposes, industrial, educational, recreative, came into the scope of his investigation, and from personal inquiry and published documents he gathered an immense quantity of information for future sifting and interpretation.

This work, unhappily, he did not live to finish, and his friends

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entrusted to my care, for editorial purposes, a set of note-books and a large quantity of literature which he had collected in order to write his book, "A Sovereign People." It is right that I should here explain what use I have made of the material, and what personal responsibility I bear in the production of this book which bears upon its title page the honoured name of Henry Demarest Lloyd.

In most of the chapters it is inevitable that readers should miss those distinctive qualities of vigorous vitality and luminous expression, that swift picturesque allusiveness, which characterised everything he wrote. For only a small proportion of his notes were left in a shape admitting direct transcription for this book. For the most part they were the hasty jottings of conversations recorded red-hot as he returned to his hotel, or brief allusions to articles he had perused, or else impressions of passing events that struck his imagination and might serve to illustrate some thought that flitted across his mind.

All this was raw material designed for future assimilation when he came to the large task of imposing intellectual order upon his subject-matter. Although in close and entire sympathy with my friend's democratic standpoints, I could not hope to build out of this material the noble and imposing edifice which he would have raised. The structure I have been able to erect is far humbler and less serviceable. Following the general ground-plan, as I gathered it from his notes, I have built into the chapters of this book a mass of the facts recorded in his notes, amplified by references to the documents he had collected. In doing this I have been compelled to fuse fragments of material scattered through the note-books, supplementing them from other sources, in this way losing much of the personal qualities which the individual notes conveyed. Wherever it has seemed practicable, however, I have introduced phrases and sentences taken verbatim from the note-

books, and in a few places large passages comprising several pages each have admitted of transcription with scarcely the alteration of a word.

Although it has been my endeavour to follow out as far as possible the chief threads of interest indicated in the note-books, the universality of his sympathy with all movements of social betterment led him in his conversation or his reading to touch many themes which he had not time or opportunity to elaborate. At certain places indeed his plan of study radiated into an intricacy of design which a whole lifetime would hardly have sufficed to execute, as the vast collection of pamphlets and official documents relating to the minutiae of cantonal and municipal politics serves to illustrate.

Had he lived to carry through his work, he would doubtless have exercised here that fine quality of judgment in selection which he has exhibited in his other books. Many of these minor points which, breaking in upon his main investigations, find a record in the notes I have been compelled to ignore. But, with one exception, I have tried to develop and express what he regarded as the chief lessons which Swiss democracy had to teach the world at large and his own countrymen in particular. This exception is the banking system in the cantons and the larger cities. Mr. Lloyd's inquiries into this important subject made it evident that he intended to devote some space to Swiss finance when he came to write his book. But he had not had time to go far enough into this intricately technical subject to indicate clearly the path of exposition he would follow, and I deemed it safer and fairer to omit an attempt at interpretation in which there would have been considerable danger of misrepresenting his views.

Although the several chapters of this book have been submitted to experts in Swiss politics, it is more than likely that errors of fact or of interpretation are contained in them. To those who have read this account of the condition in which Mr. Lloyd's

notes were left and of the use I have made of them it will be evident that the full responsibility of such errors must be imputed to the editor.

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Mr. Lloyd was profoundly impressed by the importance of the political lessons which his own great new country could learn from this little old country. More and more as he grew older he had taken for his special work in life the endeavour to enforce upon the intelligence of his countrymen the results of the experience of other peoples in the free acts of political and economic co-operation. To his close studies in the co-operative movements of Great Britain and of Continental Europe, he had added his fascinating picture of New Zealand, a land without strikes, a land where the people appeared to have gone further and faster than anywhere else in the attainment of equality of economic opportunity, industrial peace, and a peaceable constructive socialism.

But when he came to penetrate into the living tissue of Swiss democracy and to see and understand from personal intercourse the vital workings of their democratic system, the immense importance of getting this knowledge home to the American people began to dominate his mind. Here was a nation, in essential structure a small-scale replica of his own, a federal state, republican in form, democratic in its institutions, composed in the main of the same Teutonic stock, living on the same general level of civilisation, passing rapidly like America from an agricultural into an industrial life, and confronted by the same problems of political and economic adaptation. In Switzerland he saw a people grappling boldly, confidently, and in the main successfully, with the power of railroads, liquor lords, financial magnates, and industrial corporations, socialising some of these great economic functions, controlling others, and using the government of city, canton, and confederation in harmonious co-operation for this common work. He saw here

the two greatest issues which confronted his own nation, the *How Much of Federal Power?* and the *How Much of Socialism?* being worked out peacefully by a series of tentative experiments. Lastly, he saw these experiments being conducted, not merely by an expert bureaucracy, as in Germany, or by party managers as in Great Britain or the United States, but by the body of the people stamping the direct impress of their considered judgment upon the individual acts by which this democratic government was effected.

More and more he came to be filled with the sense that here for the first time he had got into contact with real democracy, expressed in institutions which protected the Swiss citizen against most of those abuses which had corrupted or deflected the will of the people in his own country. So he set himself to a minute study of those instruments of popular government, in particular the referendum and the initiative, and of the actual work which had been thus accomplished in the building up of a sound civic and national life.

The following passages taken straight from Mr. Lloyd's Swiss Note-Book will best serve to indicate his sense of the nature of the task which he had set himself, but did not live to carry to completion:

"Switzerland is the only instance on a national scale where the people have, by wholly democratic processes, by debate and mandate, taken possession of the monopolies and changed them from instruments of private profit-getting to public servants; the only spectacle of a united modern democracy evolving itself into a great economic agency, not by the leadership of enlightened innovators as in New Zealand, but by the whole people. The Swiss people have done this in their cities and cantons and in their nation — cantonal banks; alcohol monopolies; railroads; city burials as in Basle and Zurich. The purchase of the English telegraphs was the act of the representatives of the English people. The plan and the detail were

never submitted to the direct consideration of the people, but in the railroad nationalisation of Switzerland there were several Direct Legislations.

“A similar exercise of popular sovereignty is the purchase of local water works, etc., but even in these I know of no case where the details of the plan have been worked out by the people and settled by votes of the people at different stages as in Switzerland. Even if there should be cases of local works as thorough as those of Switzerland, Switzerland is certainly the first case in history of a democracy, ancient or modern, where this has been done on the modern scale. The importance, therefore, of this story as a precedent, when the whole civilised world is bubbling with excitement about problems presented by property become monopoly and monopoly become international, cannot be overestimated.”

“The largest of all the individualisms is that which is diffused among all the people. Its Parliament and altar can be found in the general will and heart. It is to this new conscience the appeal must be made for the general good. The individual leader tends always to become a usurper and to be a good leader no longer than he is led. It is the mission of democracy to keep this court of the general good always in session to enforce the general law. The people must be sovereigns because, in the long run and on the average, their decisions will be the most unselfish and the wisest. The appeal of the new conscience to the individual to make the good of all superior to the good of one or a few, to live up to the obvious truth that one million people are more than one or one thousand, can be successfully made only to all. It is only therefore by democracy that righteousness can come.”

“Switzerland in one way is far more difficult than the United States. The United States has been knit together by the great

tide of westward emigration from the East. (Fiske estimates about 15,000,000 descendants of 11,000 New Englanders.)

"In Switzerland there has been no such unification of canton with canton. Canton is divided from canton by lines of race, customs, etc., almost as sharp as mountain ranges."

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 "Swiss movement is but a scenic drama of which the first act was played in the American Colonies in 1776, the second in Paris in 1789, the third in Germany in the peaceful reconstruction and emancipation of land and men by Stein and Hardenberg in 1815, the fourth in the revolution of 1848, throughout Europe, including the Chartist movement, the fifth and greatest act of which rehearsals are now in progress wherever men meet to talk and think about the social business.

"Switzerland, that is, is not exceptional, but is entirely and characteristically a part of the modern world, possessed with a most modern spirit, exceptional only in this that it has been able to develop this modern movement without the hindrances that have retarded it elsewhere so much. In this it resembles New Zealand. Both New Zealand and Switzerland are of our time and race, religion, economy and politics and evolution. Both have been able to move faster along the lines of this evolution than we because free of 'interpositions' (Wordsworth) that have blocked our way. The greatest of these is the sudden wealth created by modern science, explorations, and inventions, which has made the world for most part a great placer and converted the peoples into crazy gold hunters. The competition is in 'piles,' not morals. Switzerland is in a very important way a more timely example for us than New Zealand. While the New Zealand policy is more advanced, the Swiss is more democratic. More has been done in New Zealand, but in Switzerland more has been done by the people. She has diversities of race almost more of a problem than ours. We have a greater menagerie — variety in our 'happy family' —

but we expect to see them all fuse into one new American type in the process so rapidly going on. But in Switzerland the different bloods have each their own set place. Germans and French, and Italians and Romance are not mixed up, intermarrying. But lines of locality and lines of race divergence coincide. Geneva was French a hundred years ago, and French it still is. Berne has been German for six hundred years and will be so hundreds of years hence. Ticino grows less Italian than it was under Charlemagne. Race division and geographical division coincide, — a thing not seen in the United States, even between blacks and white, though manifestly De Tocqueville's prophesy, that the negroes tend to monopolise for habitation and for working the southernmost States, moves up slowly towards fulfilment.

"Switzerland also has its immigration problem both in French Switzerland and in German.

"All these things that prove American backwardness as compared with New Zealand and Switzerland is not due to 'new country' nor to lack of homogeneity, nor to immigration, but to some other cause. We could unite immigrant and native, European and American, North and South, Catholic and Protestant, but for some obstacle other than the differences which have not prevented their union in Switzerland in these most advanced political and industrial uses of social force. What is that obstacle? It is the great wealth scraped up on the placers by the ablest grabbers. Unity and opportunity for all have been a policy which every philosopher from Plato to Mazzini has warned us could not endure where great inequality existed, a teaching which the history of all the republics so far except Switzerland has verified."

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 "My point is not to present the Swiss people as a perfect democracy, or doing with pre-eminent success all the things they undertake, *i.e.*, the nationalisation of the railroads, fire

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A SOVEREIGN PEOPLE

CHAPTER I

A LABORATORY OF DEMOCRACY

STUDENTS of politics have generally agreed that Switzerland contains a larger variety of instructive experiments in political and economic democracy than any other living nation. Nowhere else has the direct personal participation of the body of citizens in acts of government been applied in so many different ways, fortifying or in many instances superseding the indirect modes of popular control known as representative institutions.

The sovereignty of the people, based upon the equal political and civil rights of all adult male citizens, has nowhere been so fully realised as in the expanding series of self-governing areas in which a Swiss citizen exercises his rights and duties as a member of a commune, a canton, and a federal state: nowhere have the relations between these larger and smaller areas of democracy grown up under conditions of such careful adjustment and so much promise of stability. Finally, there is no other state whose constitutions, federal, provincial, communal, express such implicit confidence in the present will of the majority and admit such facility of fundamental changes to meet new conditions.

Though there are one or two modern states where public control of industry and other forms of "socialistic" legislation and administration have been carried further than in Switzer-

land, it would probably be found that nowhere has substantial liberty and equality of opportunity, political, industrial, educational, and social, been more adequately secured than to the citizens in the more advanced cantons of Switzerland. For not only in political government do we find many able experiments in the art of reconciling individual liberty with rule by the majority, but outside of politics in the labour organisations, co-operative societies, consumers' leagues, and an immense variety of economic, philanthropic, educational, and recreative unions, we have evidence of the free play of a democratic spirit finding expression in social forms.

Before presenting the slight historical sketch which is essential to understand these operations of the spirit of democracy, it is right to call attention to a series of conditions, physical, moral, and industrial, which explain why so small a section of the earth contains so large a number and variety of experiments in the arts of self-government, why, in a word, Switzerland must be regarded as the best equipped political laboratory in the modern world.

That a mountainous country favours hardihood and independence of character, precludes wealth and luxury of living, and makes the political and economical domination of an oligarchy difficult to establish or maintain, is a commonplace of history. Now the whole of present Switzerland is part of a vast mountain comprising Savoy, the Tyrol, and other adjoining regions. Though intersected by numerous valleys, the entire country is lifted well above the normal level of the neighbouring states. Only two per cent has an altitude of less than a thousand feet, two thirds of the land is composed of hills and dales, the other third an elevated plain of over thirteen hundred feet. The Rhone, the Jura, and the Alps, with chains of lakes, furnish a formidable set of barriers against intruders from France, Germany, or Italy. No other country of high mountains is broken by so numerous cultivable valleys with such a variety of situa-

tions. This causes great differences of local climate, so that neighbouring villages exhibit widely divergent types of agriculture and of industry.

"Within a short distance one may see at the same time all the seasons of the year, stand between spring and summer, collecting snow with the one hand and plucking flowers from the soil with the other. In Valais the fig and grape ripen at the foot of ice-clad mountains; while nearer their summits the lichen grows at the limit of the snow line. There is a corresponding variety as regards the duration of the seasons. In Italian Switzerland winter lasts only three months; at Glarus, four; in the Engadine, six; in the St. Gothard, eight; on the Great St. Bernard, nine, and in the Theodule Pass, always."¹

The innumerable natural barriers separating towns or groups of villages, which are all close neighbours so far as actual distance goes, have favoured the growth of small, strongly integrated, economically and socially self-sufficing communities, each with some distinctive character of its own based on the peculiarity of its physical environment.

Differences of race, language, and religion have helped in no ordinary degree to present the diversity of conditions in the political growth of the nation. Though German is the dominating language, eighteen cantons being altogether German speaking, French prevails in five cantons, Italian in one (Ticino), while one third of the population of Graubünden speak Romansch.

The cleavage of religion, by no means following race and language, shows Roman Catholicism predominant in twelve cantons, in all save two of which it is virtually the sole religion.

A very wide diversity of size and of distribution of population is visible in the various cantons. In area they vary from Graubünden with 2,765 square miles and Berne with 2,660 to Geneva with only 109 and Zug with 92. In population Berne

¹ Winchester, *The Swiss Republic*, p 22.

exceeds half a million, while Inner-Appenzell possesses only 12,888.¹

1		POPULATION	RELIGION		LANGUAGE			
Cantons	Square Miles	1905	Protestant	Rom. Cath.	German	French	Italian	Romansch
Aargau	542	211,430	55%	44%	99%			
Appenzell								
A. Rh. .. }	162	55,730	91%		99%			
I. Rh. .. }		13,733		94%	99%			
Bâle								
City }	177	124,017	78%	21%	99%			
Rural .. }		71,000	67%	30%	96%			
Berne	2,660	616,432	86%	12%	83%	15%		
Freiburg	644	131,311	15%	84%	31%	68%		
St. Gall	780	258,732	40%	59%	98%			
Geneva	109	150,173	48%	49%	11%	84%		
Glarus	267	31,785	76%	23%	99%			
Graubünden	2,765	107,605	55%	45%	46%		14%	38%
Lucerne	580	150,781	5%	94%	99%			
Neuchâtel ..	312	131,481	87%	11%	20%	77%		
Schaffhausen	116	42,939	87%		99%			
Schwyz	351	57,324		98%	99%			
Solothurm ..	303	106,546	25%	74%	98%			
Ticino	1,095	143,180		99%			98%	
Thurgau	382	116,484	70%	28%	99%			
Unterwalden								
ob. d. w. .	295	15,343		97%	97%			
nid. d. w. .		13,272		99%	96%			
Uri	415	20,635		98%	99%			
Vaud	1,245	296,012	84%	8%	9%	81%		
Valais	2,026	117,514		99%	31%	67%		
Zug	92	25,881		93%	99%			
Zurich	665	459,269	87%	12%	99%			
	16,021	3,463,283						

Nor is there less diversity of industrial condition, for while Switzerland still remains for the most part an agricultural state

with a thin scattered population, great modern industrial cities are beginning to spring up, Zurich with a population of 150,700 (in 1900), Bâle with 109,161, and Geneva with 90,321. The wide-spread existence of water-power available for modern manufacturing uses, and the development of rich mineral resources in Southern Germany, have led to a considerable growth of factory production. The textile and other manufactories of Zurich, Glarus, Bâle, Appenzell, St. Gall, Aargau, and Thurgau, have introduced into these cantons the array of economic and other social problems incident on modern organised industry, involving complex considerations of the powers and duties of government in the regulation of private business enterprise and the preservation of the health and other interests of large labouring populations exposed to the vicissitudes of modern world commerce and to the domination of large capitalist companies.

The plasticity of Swiss democracy in adapting itself to these new conditions is truly remarkable, as indeed is the whole process of political integration which has been advancing during the last few generations. That a group of little agricultural states should have been able to grapple so successfully with the economic and political entanglements of modern capitalism, utilising for this purpose partly those implements of free self-government which had come down to them from their past history, partly new modes of popular control accommodated to their growing population and their more complex issues, stands out as one of the great achievements in modern history.

To understand, so far as may be, the play of those social forces, which by gradual processes through six centuries have welded this diversity of races, languages, and religions among a thousand little groups of men, each living in its own valley, into a powerful little modern nation with a unity and solidarity of government sufficient to place it in the forefront of civilisation, and to protect it against all aggression of outsiders without impairing the smaller and more ancient group-

ings out of which the federal state has sprung; to study the forms of government through which these social forces find expression, and to perceive how, through these forms, the popular will handles those great problems of to-day which the common character of modern civilisation imposes alike on all advanced nations,—this is one of the most profitable studies that can engage a political reformer of to-day, especially in those countries which by their institutions profess themselves to be in form or in substance democracies.

For here we have within a trifling compass no fewer than twenty-five sovereign states, each fully equipped with the political apparatus of a democratic republic, each formed by the slow and for the most part voluntary co-operation of a number of still more minute republics, and combined to make a federation in which the direct operation of the popular will has fuller scope and freer play than in any other modern community.

Opponents of democracy are continually raising two sets of objections which they deem fatal. First, they say, you cannot get the general will of the people really dominant in politics, whatever forms of franchise or election you devise, and if you could, the welfare, even the existence of the state would be constantly imperilled. Secondly, they say, if a sound democracy is possible, it can only be confined to so small a group of men as to be unfitted to the needs of modern society which demand large states. Hence, they proceed to argue, though a nation may be furnished with a tolerably complete democracy in its constitution, the complexity of a modern civilised government converts it into a practical bureaucracy, controlled, as all governments have ever been controlled, by an oligarchy of rich men.

It is primarily because the Swiss Constitution claims to have provided an escape from this paralysing imbroglio, and to have attested experimentally the possibility of democracy, that it

deserves the attention of other nations which are trying to be democracies and failing.

The direct participation of a simple citizen in acts of government, and the application of the federal principle, are the key-notes to Swiss democracy. By means of the former it is claimed that those monstrous excrescences of "party," known as bosses and machine politicians, cannot thrive, while the latter prevents the growth of those not less dangerous abuses that proceed from the complex machinery of a highly centralised government in a large state. Let the body of free citizens not merely elect men who shall execute their will in making laws and in other acts of government, but retain the right of directing what laws shall or shall not be passed, what acts shall or shall not be done by their representatives; these checks upon the abuse of power by individual representatives or parties are, it is contended, necessary and sufficient securities for the free play of the general will. The linkage of smaller into larger governmental units, and these larger units into others still larger, which the federal principle enables, following a sound line of historical evolution, imposes, it would seem, no limit upon the governmental area of a well-constituted federal state; for each smaller area will only consign to the central federal government such powers as can be safely and economically administered by it.

The origin, structure, and working of direct government and of federation in Switzerland where these forces and methods have been subjected to such long and various experimentation are matters of intense significance for Americans who perceive their own democratic institutions cracking under the very strains for which these Swiss devices are designed to afford relief.

A full accurate account of the growth of the spirit and the forms of Swiss democracy would of course be nothing short of a complete history, constitutional, economic, intellectual, and

religious, of that little mid-European nation, a project which cannot here be entertained. It must suffice to present a brief general sketch of certain leading landmarks in the history of that process of free popular co-operation which has issued in the modern Swiss Confederation.

CHAPTER II

THE GROWTH OF SWISS DEMOCRACY

FOR the earliest sources of the democratic movement we must look to the Germanic spirit and institutions brought into the country we now know as Switzerland, by the two German nations, the Burgundians and the Alamanni, who settled there in the first half of the fifth century, A.D. The Alamanni, a Pagan people, who were brought into close contact with Roman civilisation, took forcible possession of Northern Helvetia, reducing to slavery the scattered Helveto-Roman population they found there; the Burgundians, a Christianised and milder people, peacefully overspread Savoy and Southern Helvetia, imposing on the earlier inhabitants a gentler form of subjugation. Although at first the two invading nations maintained a fierce hostility against one another, each striving to encroach upon the territory of the other, they soon found themselves incorporated in the new Empire which the Franks were beginning to erect upon the ruins of the Roman Empire of the West.

The general outline of these Germanic settlements is clear. Dividing up the cultivable land they settled down by clans in counties or Gaue, each under a chieftain or Graf. The name Gau still survives in the names of two cantons, Thurgau and Aargau. The Gau was divided into hundreds, which were presided over by cent-grafen or Centenarii. What portions of the old German military and political system were engrafted on the Swiss settlement it is not easy to determine, but in the earliest times the popular election of the grafen appears to have prevailed. Of

democracy in any modern sense there was no trace, for the population was divided everywhere among the Allamanni into two great classes, freemen and slaves, while the former were further distinguished as nobles, freeholders, and landless freemen. There is, however, traceable in the earliest times an institution destined to play a most important part in the evolution of Swiss local democracy, viz., the allmend or undivided land surrounding the village settlement. The allmend consisted of meadow and forest, later some arable land, lake, river, or mountain. What exactly were the relations of the several classes of freemen towards this allmend, and how far they exercised their rights collectively or individually, are disputed questions, but when we come to historic times we find the allmend everywhere in Switzerland as a communal property of the village or local group, and certain rights of grazing, wood cutting, etc., possessed by all or most free inhabitants. As the allmend formed a boundary between one community and another it was also known as a mark.

When the Feudal System was superimposed on this earlier Germanic social structure, large districts passed as fief under the protection, control, and exploitation of some powerful baron or some monastic establishment. How far such overlordship crushed freedom in local self-government, and interfered with the communal property, depended chiefly upon two conditions: first, the magnitude and distance of the overlord, secondly, the ease or difficulty of access. When we find the kernel of the Swiss Confederation in the Forest cantons, we readily understand why, in an age when strong men were everywhere usurping popular rights and extirpating popular institutions, these rights and institutions survived in those cantons. The arts of political and economic tyranny could not be exercised in these mountain and lake-girt fastnesses with the same persistency and thoroughness as in some fertile plain intersected by good military roads and lying near some great governmental centre.

A great overlord, living far off with many rich and easily accessible possessions, would not find it worth his while to give much attention to the exploitation of such a people as the dwellers in these forest cantons.

Uri, the nest-egg of the future federation, also enjoyed from very early times the advantage of falling under the jurisdiction of the Abbey of Zurich, a far milder sway than that commonly exercised by the small local barons of the Empire.

There is some evidence that even in these early days the men of Uri, as a collective body, had recognised liberties; every man, bond or free, was a member of his *Markgenossenschaft* or Communal Association; and the whole body of the people, collectively, is found treating with the bailiff of the Abbey concerning tithes and boundary laws, as early as the twelfth century.

From this monastic control it passed early in the thirteenth century under the direct sway of the Empire, and in 1231 the men of Uri received a charter confirming this direct dependence, and bestowing upon the people a practical immunity from the greed and oppression of local lords which laid the foundation of their coming independence.

The neighbouring cantons of Schwyz and Unterwalden passed from the control of local lords into the same conditions of privilege under the Empire, retaining right through the feudal period a substantial amount of local liberty, though Unterwalden was less consolidated than the other two countries.

The first important date in the history of the unity of Switzerland is 1291, when the three cantons Uri, Schwyz, Unterwalden, entered what is known as the First Perpetual League.

This first step along the part of federalism was prompted by the desire of the people of these three states to protect their territories and their local liberties against the danger of encroachment on the part of the Counts of Habsburg, who had by this time acquired possession of almost the whole of the surrounding country. It is purely a league for two pacific purposes,

mutual defence against external aggression, and the peaceful settlement by arbitration of internal dissensions between the three contracting parties. These purposes are embodied in the two following clauses which constitute the heart of this historic document:

“Therefore, know all men, that the people of the valley of Uri, the democracy of the valley of Schwyz, and the community of the mountaineers of the lower valley, seeing the malice of the age, in order that they may better defend themselves and their own, and better preserve them in proper condition, have promised in good faith to assist each other with aid, with every counsel and every favour, with person and goods, within the valleys and without, with might and main, against one and all, who may inflict on any one of them any violence, molestation, or injury, or may plot any evil against their persons or goods.”

“But if dissension shall arise between any of the confederates, the most prudent among the confederates shall come forth to settle the difficulty between the parties, as shall seem right to them; and whichever party rejects their verdict shall be an adversary to the other confederates.”

This is not a revolutionary, not even a reforming document; so far as it touches politics at any other point than these, it confirms the existing order: it is simply directed to a mutual guarantee of internal order and of defence against external dangers. But it forms the nucleus of the federal democracy of to-day.

Soon began the first bout in the long broken conflict with the power of Austria when the confederates beat back their gigantic foe in the famous victory of Morgarten.

During the brief breathing space that followed this victory the confederates strengthened their position by drawing into their league the little state of Luzerne, thus consolidating the union of the land around the lake known as the Lake of the Four Forest States, the Vierwaldstättersee (1332). At the

same time a further step was taken in strengthening the contract of the states; for in the formal renewal of the original pact it was added that none of the contracting parties should enter into negotiations with or submit to any outside power without the consent of the others.

The next addition to the Confederation was got by the accession of Zurich nineteen years later. Zurich had long been a commercial centre of importance for trade between Germany and Italy, and its silk manufactures had already brought it considerable wealth, fame, and inhabitants. A free city of the Empire, it had recently carried through a great popular uprising against the close oligarchy that had long dominated the city. The people demanded a share in the government, and under an astute and energetic leader, Brun, they had overthrown the old castle system and got the city council onto a popular basis. But the deposed party naturally sought aid from the Austrian potentates around, and Brun in the extremity of the new situation craved the alliance of the Forest States, concluding in 1351 a perpetual league with Lucerne, Uri, Schwyz and Unterwalden. Glarus and Zug also came in next year (1352), extending and consolidating the line of the federal territory in the North.

Still more important was the accession in the following year of Berne, the most ancient and important military post in the country and a "free city" of the Empire, like Zurich.

Recent ambitions of the citizens of Berne to extend their sway over the fertile valley of the Aar, and to weld into one state the communities of that district, led them into conflict with the aggrandising power of Austria. As early as 1323 they had sought the alliance of the Forest Cantons, an alliance which took effect in the assistance rendered to Berne in the victory of Laupen in 1339, the first occasion on which the east and west of Switzerland joined hands against the common foe.

In securing the co-operation of the free cities of Zurich and Berne the confederates made dangerous departures from the

true democratic principle of federation that deserve attention. In the league with Zurich the right of making separate alliances with other states was accorded to the contracting parties, a stipulation which left open to Zurich the opportunity of a special pact with Austria, if that could be arranged on advantageous terms. In the league with Berne was embodied a provision pledging the Forest States to guarantee the inviolability of Bernese territory, though no corresponding obligation was imposed upon Berne.

The entrance of Berne into the alliance in 1353 completes the list of the eight cantons that formed the early Confederation.

This Confederation was destined to play an important part in preserving the principles and practices of popular self-government during an age when elsewhere throughout the Empire the ancient liberties of the peoples were collapsing before the power of the nobles and the military oligarchies. Not merely did it safeguard the practical political independence of Northern Switzerland against the Austrian power by a series of fierce conflicts in which the great victory of Sempach (1386) stands out conspicuous, but it constituted a protected area within which the internal forces of popular power were gathering and preparing the forms of the modern Swiss democracy. While elsewhere in Europe the liberties of the guilds and citizens in the commercial towns, wrested with difficulty from kings or local lords, were being undermined by the new monopoly of some strong guild or other burgher oligarchy, in the Swiss towns the tendency was towards increased power for the body of the citizens, the merchants and artisans. While in every other country the process of creating a landless proletariat by encouraging large landowners to encroach upon the common rights of the small peasants, and in other ways to force them into the status of mere wage-earners, was proceeding apace; in Switzerland the small properties and the allmend were preserved intact, and the groups of free peasants remained the backbone of the

nation, the main source alike of military strength and of political independence. It is of supreme significance to note that, whereas in other lands what practical liberty existed was chiefly found in more favoured cities, in Switzerland it was the peasants who kept alike the forms and the substance of democracy. While in the cities Berne, Lucerne, Zug, and even Zurich, aristocratic cliques were constantly endeavouring, with more or less success, to control the city, the old confederating states of Uri, Schwyz, Unterwalden, Glarus, were fully democratic republics, sovereign peoples exercising directly their power through popular assemblies.

The holding together of these diverse states by a federation containing no central authority of any kind, legislative, executive, or judicial, and consisting in a number of separate alliances between the federating members, is one of the most remarkable achievements of history. Though several attempts were made to give closer unity and more positive contracts to the federal relation, nothing emerged that could be termed a federal constitution.

The most important document of union in this early Confederacy was the Covenant of Sempach (Sempach's Brief), the most significant provision of which referred to the effective co-operation and humane conduct of war by the allies. It deserves attention that in an age when hardly any checks were placed upon the barbarities of warfare, the armed democracy of this Confederation should have formally set its seal upon what has been termed "The first attempt, made by any people, to restrain somewhat the fury of war; to regulate military discipline and leadership by an intelligent humane law."¹

It was only natural that a federation which had given such strong proofs of its power should extend its area of influence. This came about in two ways. The example of liberty and

¹ Danklicker, '*Geschichte der Schweiz*,' Vol. I, p. 56 (quoted McCrackan, p. 189).

federalism is infectious; other little groupings of neighbouring communities took place, some of which eventually sought admission to the larger federation. Special arrangements secured for citizens of Appenzell, of Graubünden and of Valais, the protection of the federation, before these states became formal members. The other method of expansion, not less natural, was less defensible. It was the path of conquest, to which early in the fifteenth century the Confederation committed itself with considerable vigour. The territory, now comprised in the canton of Ticino, the Val Leventina, was wrested from the Duke of Milan in 1403, to be held as conquered land on no basis of equality with the federated states. A still more important encroachment was the acquisition by arms of Aargau on the Northwest frontier. The bulk of this new territory was absorbed by Berne, smaller portions fell to Zurich and Lucerne, the rest was held as federal property, a certain source of future trouble for a league with no central government.

As soon as federalism was converted from a distinctively conservative and pacific into an aggressive policy, seeking wider territory and outside markets for its goods, a fissure began to appear between the rural democracies and the urban oligarchies with their growing wealth and commercial ambitions. In all ages and circumstances such a quarrel is inherent in a policy of imperialism, the conquest and subjugation of foreign lands and peoples. For empire abroad is wedded to aristocracy at home; it feeds the lust of power of a ruling class by offering ambitious careers, trade privileges, tax-farming, and other valuable perquisites; the very existence and the government of subject lands corrupts the sense of liberty and equality at home. The conquest of the Aargau in particular drove a wedge into the Confederation, which widened until it brought civil war, delaying for well-nigh a century the further evolution of the federal state. This period of war within, varied by a brilliant

career of military prowess in the later struggles with Burgundy and the Empire, culminated in 1499 with the Peace of Bâle.

Alone among the many leagues that had sought to stand against the Empire the Swiss Confederation had survived, attaining at the close of the fifteenth century a position of unexampled prestige, and even holding, through the fame of their mountain-bred soldiers, a sort of balance of power among the combatant nations of Europe. From this time forth, though still formally subject to the Empire, the Confederation must be regarded as a politically independent body.

Towards the close of the fifteenth century the Confederation once more began to increase its membership, Freiburg and Solothurn joining in 1481, after the so-called Covenant of Stans; and Schaffhausen and Bâle, who had on many occasions fought as allies, became members of the Confederation after the Peace of Bâle, in 1501.

The further definite admission of Appenzell in 1513 marks a distinct epoch in the history of the Confederation, which had now attained the number of thirteen states, a number to which no future addition was made for 285 years.

The federal relation was still of a most primitive order, destitute of all effective central constitution, though the beginnings of a more formal federal government may be found in the Diets (*Tagsatzungen*), held from time to time for some specific purpose, to which the several cantons sent delegates. Such delegations were not, however, efficacious legislative bodies, their vote was only binding when they carried out explicit instructions from their respective cantons, no majority vote could bind the minority, and even where unanimity approved a resolution no executive power could enforce it upon any remiss canton.

This feebleness of the federal bond was further impaired by the relations which the thirteen states held towards the rest of what we now know as Switzerland.

“Of the twenty-two cantons, now forming the Swiss Confederation,” writes Mr. McCrackan,¹ “at that time only thirteen were full-fledged members, four were still allies, three were in the inferior position of subject or conquered lands, and two, Vaud and Geneva, had not yet entered into direct relations with the Confederation at all.”

It is no part of our purpose to trace the history of the havoc wrought upon the unity of the Confederation by the coming of the Reformation. The new teaching, which the citizens of Zurich had received from Zwingli, spread rapidly among the other states, and was welcomed or repelled according as liberal ideas, or the play of local interests and circumstances, determined.

The Forest States furnished the stronghold of resistance to the new doctrines, while Berne, Glarus and St. Gall threw themselves with enthusiasm into the reform.

In the main the older part of the federation, consisting entirely of German speaking states, remained faithful to the Catholic Church. Protestantism, at any rate that dominant form of it associated with the name of Calvin, and issuing from Geneva, got its chief hold upon the French speaking territories, large portions of which were not until long after fully-fledged members of the Confederation.

The immediate effect of the religious ferment was to break the slender federal tie: Berne and Zurich, the centres of Protestantism, formed a separate alliance, and soon after the five leading Catholic states, Uri, Schwyz, Unterwalden, Lucerne, and Zug, broke away, formed a league of their own, and entered into relations with Austria. Although Switzerland contrived to escape direct participation in the Continental struggle known as the Thirty Years' War, thus establishing a precedent for the position of neutrality which has remained a distinctive feature of her polity, it was torn in pieces by internal strife and dissen-

¹ *The Rise of the Swiss Republic*, p. 244.

sion, which set back for well-nigh two centuries the development of national solidarity. The division of the country into Catholic and Protestant cantons was only one aspect of a spirit of schism which manifested itself in every canton; the collapse of federation was attended by a revival of aristocracy in the cantonal governments. Throughout the sixteenth and seventeenth centuries the decay of democracy was conspicuous, especially in the cantons where population and commerce were concentrated in some considerable city. A new burgher nobility arose in Berne, Freiburg, Lucerne, usurping all the important and lucrative offices of state, and the powerful guilds of Bâle, Zurich, and Schaffhausen failed to hold the fortress of control against the reactionary movement. Even in the more remote rural cantons the same demoralising forces manifested themselves: a governing class, composed mainly of the families which had risen to wealth and fame from great mercenary captains, ambassadors in foreign courts, and the bailiwicks of the subject lands, everywhere imposed its yoke upon the people.

As everywhere throughout history, imperial exploitation was made the basis of domestic tyranny. "The confederates assumed the federal rights of the nobility which they have driven out; their bailiffs ruled like sovereigns, held miniature courts and exacted the same tribute, in the shape of taxes and personal service, as the former feudal rulers. As far as the subject lands were concerned, it was a mere exchange of masters, and sometimes a most disastrous one. The administration of these subject lands certainly forms one of the darkest pictures in Swiss history. Every state in the Confederation became a land-owning corporation. The aristocratic factions within the city developed into an idle body, who lived upon the unearned increment of land, or the pensions received from foreign military service. It made no difference that the Swiss peasants were generally allowed to remain in nominal possession of the land they tilled — for mortgages, taxes, and personal services

swallowed up this apparent advantage and made their position fully as miserable.”¹

This sway of local aristocracy maintained itself through the seventeenth and eighteenth century, crushing with ruthless severity the popular uprising in the middle of the seventeenth century known as the Peasants' War. Differences of religion, race and industrial interest, prevented the union of these cantonal oligarchies into a powerful centralised aristocratic state, and Switzerland, devoid as yet of effective nationality, drifted into a new subjection to the neighbouring power which had displaced the Empire. The formal renunciation of her allegiance to the German Empire, secured in 1648 through the mediation of France, was soon followed by the acceptance of what was in effect the suzerainty of France. Under the protectorate of Louis XIV. and his successors, Switzerland enjoyed a tolerable tranquillity which, during the eighteenth century, was fruitful in large measures of internal progress in agriculture, commerce, and education. The nationalising forces, however, were in complete abeyance; localism was paramount everywhere, not even upon such matters as coinage and a common system of weights and measures was co-operation possible between the cantons.

The French Revolution roused once more the dormant spirit alike of nationality and democracy. The invasion of Switzerland by the armies of the French Directory, in 1797, found the ruling classes hopelessly at variance, but the majority of the common people, alike in the cantons and the subject lands, favourable to the new gospel of liberty and equality. Not equally welcome, however, was the brand-new highly centralised “Constitution of the Helvetic Republic,” which Napoleon sought to substitute for the old Confederation. Ignoring local sentiment and historic traditions, the new Constitution made a new division of the entire country into eighteen prefectures

¹ McCrackan, p. 283.

with "scientific" frontiers, and provided a representative national government endowed with power to demand obligatory military service and with other rights of "interference" with local and individual liberty to which the people were wholly unaccustomed.

A sharp struggle ensued between the Federalists and the Centralists regarding the limits of state rights, and after various remodellings, Napoleon again intervened in 1803 with his Act of Mediation containing new draft constitutions for the Confederation and for the several cantons.

This act is described as a cross between the historic law of Switzerland and the philosophic law of the French Republic.

It concedes the general principle of the sovereignty of the cantons. "The cantons shall exercise all the powers which have not been expressly delegated to the federal authority." On the other hand, it imposes the complete equalitarian basis of democracy by maintaining "that there no longer exist in Switzerland either subject lands, or privileges of place, birth, persons, or families."

While this act and the cantonal constitutions established under it were short lived, disappearing with the fall of Napoleon, the liberation of the subject lands and their establishment as independent cantons added five new states to the Confederation, viz., Aargau, St. Gall, Ticino, Thurgau, and Vaud. Three more cantons were created by the Congress of Vienna in 1815, Geneva, Neuchâtel and Valais, thus completing the tale of the twenty-two states that comprise Switzerland as she stands to-day.

The true beginning of the modern democratic Confederation of Switzerland is to be found in the Federal Pact of August, 1815, in which the twenty-two cantons bound themselves to a Constitution establishing a permanent Diet, and endowing the federal authority with formal charge not merely of the integrity of the country, but of its internal order. The cantons mutually

guarantee the integrity of their constitutions and of their respective territories; each canton has one vote in the Diet.

“For important decisions (war, peace, or alliances) three fourths of the votes are necessary. In all other matters that have been declared to be within the province of the Diet by this present Federal Agreement an absolute majority is sufficient.” (Art. 8.)

To the several cantons absolute freedom was left in the formation of their governments, with one important proviso:

“The Confederation declares this principle to be inviolable; that since the twenty-two cantons have been formally recognised as such, there are no longer in Switzerland any subject countries, and, in the same way, the enjoyment of political rights can never in any canton be made the exclusive privilege of any one class of citizens.” (Art. 7.)

The weakness of this federal pact soon became manifest. No means for enforcing its authority had been provided, and the reactionary cantons treated the democratic safeguards with open defiance, refusing to bring their constitutions into conformity with its requirements.

This unsatisfactory condition of affairs continued until the advent of another revolutionary wave from France. The Revolution of 1830 stirred the burghers of a number of cantons to demand a liberal revision of their Constitution, a demand which was successfully enforced in most of the cantons during 1830 and 1831. These local successes of the liberals led to a further demand for a revision of the Federal Constitution, and thus again grievous trouble arose. In March, 1832, the seven cantons, Lucerne, Zurich, Solothurn, St. Gall, Aargau, Thurgau, entered an agreement for mutual defence of their revised constitutions, known as the Siebner Konkordat. This was the first step in separation, and was followed by a more important movement on the part of seven conservative cantons who withdrew from the Federal Diet, Uri, Schwyz, Unterwalden, Lucerne,

Zug, Freiburg, and Valais, forming a separate confederation, the League of Sarnen. This revolt was temporarily crushed by the use of federal force, but the political animosity, fed by bitter religious controversies, continued to smoulder until in 1845, a new league of seven conservative Catholic cantons, Lucerne, Uri, Schwyz, Unterwalden, Zug, Freiburg, and Valais, known as the Sonderbund, entered upon a formal act of secession, accompanied by mutual pledges of armed defence, against federal compulsion, even appealing to Austria for help. A short sharp conflict occurred in which the secessionist forces were defeated and the federal power triumphantly vindicated.

The struggle was on a miniature scale a replica of the American Civil War, a last attempt of the old conservative state rights aristocrats to resist the reforming centralising tendencies of the modern civilised nationality. Fortunately the war was short and attended by small loss of life and destruction of property.¹

The necessity of strengthening the federal power was recognised in the reconstruction of the Constitution in 1848. Taking the American Federal Constitution as their rough model the Swiss now converted their loose Confederation into a federal state, an organised nationality, controlled by two Houses, one representing the body of Swiss citizens in their individual capacity, the other representing the cantons, the agreement of the two Houses being essential for legislation.

The area of federal government was considerably enlarged: the post-office, coinage, weights and measures were placed under its charge; the cantons surrendered the right to levy cantonal customs at their frontiers; the entire control of foreign relations was vested in the federal government, which likewise divided

¹ The comparative humanity, which distinguished Swiss warfare from the beginning, is exemplified in the order issued to the Union Army ending with these words, "Take all the defenceless under your protection; do not allow them to be insulted or mishandled. Destroy nothing unnecessarily; waste nothing; in a word, conduct yourselves in such a manner as to win respect, and to show yourselves worthy of the name you bear."

with the cantonal government the national defence, education, public works, and police. Not less important, the federal government guaranteed the elementary liberties of all citizens, rights of settlement, freedom of speech, assembly, press, and religious practices.¹

This new Constitution was adopted in September, 1848, by fifteen and a half cantons against seven, and by a majority of the voters.

What may be regarded as the final definitive form of the Swiss Federal Constitution was not, however, reached until 1874, when a general revision of the document of 1848 was adopted. Although this revision made no new theoretic re-apportionment of power between federal and cantonal government, by its fuller application of the principles of 1848, it gave considerable additions to the actual functions of the federal government. More important, however, was the embodiment of a provision that all federal laws shall be submitted to the vote of the people for their acceptance or rejection.

This "referendum" article reads as follows, Art. 89: "Federal laws shall be submitted for the acceptance or rejection of the people if the demand is made by 30,000 active citizens or by eight cantons. The same principle applies to federal decrees which have a general application and which are not of an urgent character."

The new Constitution was accepted by 340,199 votes against 198,013, and by thirteen and a half cantons (Zurich, Berne, Glarus, Solothurn, Bâle city, Bâle rural, Schaffhausen, Appenzell (A. R.), St. Gall, Grisons, Aargau, Thurgau, Vaud, Neuchâtel, Geneva). It was rejected by eight cantons (Lucerne, Uri, Schwyz, Unterwalden, Zug, Freiburg, Appenzell, (I. R.), Ticino, Valais.)

The cantonal division was upon religious lines, the minority

¹ The last liberty was qualified by the expulsion of the Jesuits and their affiliated societies from Switzerland.

being entirely Catholic. About eighty-five per cent of the qualified voters went to the poll.

One other constitutional change has to be recorded. According to the Constitution of 1848, the people had the right of demanding by a vote of 50,000 the submission of the Federal Constitution to a revision. It was supposed that the right of initiative was applicable to the revision of particular articles as well as to a general revision of the Constitution. The federal authorities, however, interpreted the article of 1848 so as to exclude such partial revisions, and insisted that, when the revision of any part of the Constitution was demanded by the popular vote, the referendum should be placed before the people in the general form, "Ought the Federal Constitution to be revised?"

The struggle for a popular initiative for partial revision was carried on for several years in the Federal Council and the Federal Assembly, the chief contest being waged not over the principle of the proposed reform, but over the method of expressing the initiative. The question was, whether the popular initiative should embody in general terms the nature of the proposed partial revision, or should express the desired reform in the shape of a formal bill.

The issue was eventually decided in the more liberal sense by a vote of the people and the cantons taken July 5, 1891. The voting was 181,882 Ayes and 120,372 Noes. Only four cantons showed a majority against the decree, viz., Aargau, Thurgau, Vaud, and the two half cantons of Bâle (rural) and Appenzell (A. R.).

The decree became Article 121 of the Constitution, and enabled a popular initiative for partial amendment to shape itself either in the form of general suggestions or of finished bills. If the initiative takes the more general form the formulation of the desired amendment rests with the Assembly; if the Assembly agrees with the proposal it frames the complete amendment,

which is then submitted to a referendum of the people and the cantons for acceptance or rejection; if the Assembly disagrees with the proposal, then the question whether after all there shall be a partial amendment is once more submitted to the people, an affirmative vote being thus taken as an instruction to the Assembly to take the matter in hand.

When, however, the initiative takes shape in a complete bill, and the Federal Assembly agrees, the bill is directly referred to a referendum of the people and the cantons. If the Federal Assembly disagrees with the bill, it can substitute a bill of its own or a motion of rejection, and can submit this bill or motion along with the people's bill in the referendum.

The adoption of this "formulated initiative," as it is called, was represented by many as endowing the people with what was virtually the power to introduce new laws into the legislature, for the line of demarcation between such a proposal of practical amendment and a new statute seemed difficult to draw. But though several important amendments by means of the "formulated initiative" have been attempted since 1891, only one has been successful, a measure forbidding the slaughter of animals by Jewish methods.

But while this right of initiating partial amendments of the Federal Constitution has not given to the body of citizens all that was hoped by some and feared by others, it makes an important advance in the popular power of direct government.

Since 1874 the actual functions of the federal government have grown considerably, localism yielding in many directions to federal needs.

The monopoly of gunpowder assumed by the federal government as part of its military system has been followed by a monopoly of the manufacture and a federal control over the supply of alcohol; laws regulating the manufacture and sale of matches, and the manufacture of gold and silver wares, have brought these trades under federal control; gambling houses

have been subjected to federal prohibition. A still more important federal advance is the adoption of a network of factory laws and regulations enforced by federal inspection and the adoption of federal laws dealing with contracts and bankruptcy. Patents, copyrights, and trade-marks are also brought under federal control. The development of the postal and telegraph system and of national roads has led up to the largest of all the federal experiments, the acquisition and working by the nation of the main railroad system of the country.

As a part of the national monetary system, the central government inspects and controls banks of issue, regulates the circulation of notes, the reserve fund method of redemption, and circulation of reports. By a constitutional amendment of 1890, it has assumed the power to establish invalid and accident insurance, though no practical proposal for the exercise of this right has yet received the sanction of the people. Although the education of the people still remains for the most part in the hands of the cantons, the federal government expends considerable sums on the encouragement of learning.

While no power is vested in the federal government to impose direct taxes on Swiss citizens,¹ the right to call upon the cantons for contributions according to their respective ability to pay has been formulated in a carefully constructed schedule, though this federal tax has never yet been actually imposed.

The federal debt up to the period of the nationalisation of the railroads was extremely light, amounting to no more than about fifteen francs per caput. The purchase of the railroads, adding 975,658,650 francs (\$195,131,530)² to the debt, has given immensely increased importance to the system of national finance, though the railroad account is in form kept separately.

The real significance of these extensions of the power of federal government can only be understood when we consider

¹ The Military Exemption Tax may be regarded as an exception.

² Throughout this book the value of a franc is given as 20 cents.

in detail the relations between cantonal and central government. At present it is sufficient to note the general tendency.

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This slight historic sketch has had for its aim to indicate the slow, gradual, but persistent play of the federative force acting upon a people whose physical environment and character bred in them strong habits of local independence. Co-operating with this federative force, tempering, directing, sometimes stimulating it, we see the spirit of democracy, the instinct for the sovereignty of the people flowing from the life of the village commune, its original home, into the larger political area of the canton, and hence slowly moulding the forms of the national federation. Everywhere, in the commune, the canton, the Confederation, the persistent dominant desire of the people to retain direct control over specific acts of government, and to refuse plenary powers to elected representatives, gives special character to Swiss democracy.

CHAPTER III

THE COMMUNE

✓ THE distinctive feature in Swiss democracy which has attracted the attention of other nations that have committed themselves to government by the people is the attitude adopted by the Swiss towards representative institutions. The complexity of the machinery of legislation in modern states and the large populations comprised in the area of government have seemed to many statesmen and political thinkers to disable the people more and more from the direct exercise of their judgment in law making or other determinate acts of government, and to oblige them to leave more and more to the discretion of men whom from time to time they elect to act on their behalf. Even in the smaller political areas, the parish, district, or county, the general tendency in those Anglo-Saxon nations where democracy has been most deeply rooted, has been towards a constant diminution of the exercise of direct government by the body of citizens and an increased delegation of governmental powers to elected representatives and permanent officials.

That certain considerable dangers are associated with the extension of representative institutions and the accompanying bureaucracy is not to be denied. The liability of the popular will to be thwarted in particular acts of policy is of course essential to the process of representation, and the advocates of this system regard the substitution of the judgment of well-informed and discreet representatives for that of the relatively ill-informed and thoughtless multitude as a chief advantage of representative government.

But the evils of misrepresentation through party, class, or

individual prejudices, the domination of special economic interests, the growth of the machine and its professional operations with the development of a spoils system and other forms of "graft," are well-recognised defects of representative government. Those who regard the extension and the increasing complication of representative institutions as alike inevitable and desirable, while lamenting these defects do not admit them to be inherent in the representative system, but regard them as imperfections due to the unintelligent working of that system, which the education of a better popular intelligence and a keener public spirit will gradually remove.

Now the modern trend of Swiss democracy is a direct challenge to this position, challenging alike the alleged inevitability of the disappearance of direct popular government, and its desirability. Subjected to the same tendency as other states under the conditions of modern industry and modern governmental needs to substitute centralised and representative for local and direct government, it has refused to commit itself to the domination of this tendency, everywhere insisting upon the retention and even the extension of the forms and substance of "pure democracy." Admitting representation for certain purposes and within certain limits it has called a "halt," endeavouring to secure an effective equilibrium between the uses of direct and representative government.

Everywhere in the political life of the commune, the canton, the federation, we trace the same persistent struggle to maintain an adequate voice in concrete acts of government for the ordinary citizen and for the "general will" as expressed through the vote of the majority.

Nowhere is there a denial of the representative system, everywhere it has a certain play, but everywhere we find the same insistence in retaining for the direct judgment of the people the final determination of those acts which vitally concern the welfare of the Commonwealth.

As we study the application of these checks upon representation we shall recognise that they are conceived in no merely blind spirit of distrust and obstruction to the operation of the representative forms, but that they are adopted with considerable skill as safeguards against the different sorts of misrepresentation to which a people is liable under conditions of modern government.

In general we shall recognise that the people retains the largest powers of direct government in the control of their communal life, that in the larger area of the canton representation takes a larger share, and that, of the powers committed to the federal government, the representative councils and the expert officials exercise a still larger part, though everywhere for the most important public judgments the direct and specific consent of the people must be got. It will also be recognised that the elasticity of constitutional forms in Switzerland is such as to preclude an inconvenient rigidity in this system of checks upon the representative principle: where more power is required for the effective working of the representative or the bureaucratic forms of government, it can be procured from the people with a facility which will appear remarkable as contrasted with the difficulties that confront reforms of a corresponding nature in the United States.

Since Swiss, as indeed every other democracy, is rooted in the spirit and the customs of local groups of citizens whom physical environment and economic necessity compel to live in close proximity and to act in common, it is to the thousands of little communes which to-day survive as living realities in Switzerland that we shall turn for an explanation of the intensity of that passion for an immediate personal participation in "public life" which is the force that especially interests us here. It is this passion for direct exercise of individual volition in the affairs of the Commonwealth upon equal terms with one's fellow citizens that underlies not only what is here called the

direct government of the popular assembly in the commune or the canton, the "constituent assembly" for revision of the constitution, the exercise of the referendum or the initiative in cantonal or federal government, but also the direct election of a second chamber, in most of the cantons, the regulations for proportionate representation in elections and the strict limitations set upon the legislative and executive powers of the President, whether of a communal, cantonal, or federal assembly.

The physical conformation of the greater part of Switzerland, as we have seen, imposed upon the little scattered groups of rural inhabitants a degree of economic and social self-dependence far greater than is found in countries where means of communication encourage wider intercourse. The dwellers in each valley, cut off from all contact with their neighbours during a large portion of the year, and thrown upon their own resources for the supply of all the necessities of life and for dealing with the emergencies of a rigorous climate, were compelled to discover and maintain habits and institutions of self-sufficiency and co-operative action. Not only defence against invaders from without and disorders within, but provision against the ravages of nature and a careful economy of the limited resources of the land at their disposal, were essential to the maintenance of the life of such communities. The separateness, seclusion, and self-sufficiency of these rural groups served, as we saw, to preserve alive the units of communal self-government during periods of history when the freedom of the state had perished.

Before the Swiss Confederacy had attained any full organic life, while the cantons were subjected to various forms of aristocratic government, the actual control of their local affairs (the most vital issues in the ordinary life of the mass of the people) remained for the most part in the hands of the inhabitants of the communes. Though local lords, lay or spiritual, and in the later middle ages conquering cantons and their

ruling oligarchies, would make forcible encroachments by fines, rents, and other impositions upon the communes of subject states, the normal practice of local self-government always survived.

If we would understand the strength and the comparative purity of Swiss democracy in its wider institutions of cantonal and federal government, we must look to the vigour and persistence of the communes which form the cells of the larger social organism.

This local government of the commune or Gemeinde finds its origin, of course, in the association of neighbouring farmers known in all countries of Germanic settlement as the mark. As in Germany itself, and in England, so in German Switzerland, the same forces of self-protection, economy of resources, and material aid, built solid forces of self-government accommodated to the needs of the several groups.

Under primitive conditions rural government and politics must always centre in the tenure and cultivation of the land, as in the earlier towns they centre in the regulations of the crafts. So in order to understand the peculiar strength of local democracy in Switzerland, we must realise the greater continuity and survival of certain features of rural economy which in most advanced nations have passed out of existence.

The survival of large elements of communal property in many parts of Switzerland administered by the body of the members of the commune, or by large corporations within the communes, for the common good, plays a most important part in the maintenance of local democracy and the determination of its forms. ✓ Though the commune in a German-Swiss canton closely resembles in general structure the New England township, there exists in the latter no binding force so powerful as that conferred upon the former by the administration of the communal property.

This communal property or allmend seems originally to

have consisted chiefly in the pasture and woodlands, which always remain undivided in primitive settlements, and which furnish free timber and feeding for cows and pigs belonging to the peasants. Gradually, as methods of cultivation improved, pieces of land were marked off for plantations, gardens, meadows, vineyards, still, however, remaining in common ownership. Even lands allotted for building purposes were kept in the allmend, though the usure of all such lands passed into individual hands.

Originally all share in the communal property seems to have been confined to local landowners, the body of peasants, though later on the right was found attached to the owners of certain houses whether they were farmers or not. Still later a third type of participant is found resting on a purely personal or inherited qualification, chiefly in the town communes and in certain mountain communes.

In fact, however, a great variety of different qualifications for participation in communal property prevailed in different parts of the country, and the regulations for the use of such property varied greatly. For our purpose it is sufficient to observe that in the course of time this group of original communal owners became identified with the wider body of burghers, which included householders who were not by ancient usage entitled to full communal rights. The expansion of the narrower into the wider community seems to have begun in the sixteenth and not to have reached its completion until the nineteenth century, admitting the body of settled householders into full communal rights. The movement originated in the adoption of cantonal laws which threw the charge of the poor and vagrants upon the several communes. This charge, imposed upon local householders or burghers, was defrayed by certain provisions of lands out of the communal property, the administration of these lands passing over to the burghers. Thus, partly by reason of the encroachments on the com-

munal property due to the growing expenses of providing for the poor, partly by a general extension of the power of householders, the bulk of the communal rights had passed to the burgher population.

But the evolution of the commune did not stop here. Even under the old order, it had been permissible for the commune to admit outsiders to acquire settlement with communal rights on payment of a sum of money. This practice, rare in older times, became a more or less settled policy among the burgher Gemeinde, though the new burghers were commonly precluded from a share in the communal property.

But with the more mobile conditions of modern life the new settlers both in towns and villages became a larger proportion of the population, and during the last three generations they have acquired not only a certain status in the commune but control over parts of the communal property allotted to meet the general requirements of local government. As the functions of local government have multiplied, so a larger practical share in public affairs has passed into the hands of the body of residents, including not only the original owners and the burghers but the inhabitants as a whole. At the same time it is far from being the case that the original property of the commune has passed under the free and full control of the local democracy. Even the earlier encroachments of the burghers were often successfully resisted by the little town or village aristocracies which had acquired exclusive rights in the communal property, and when during the middle of the nineteenth century the new "political" communes, comprising all the inhabitants, endeavoured to assert the wider public rights, they were in many instances defeated by the close corporations of the burghers.

In the canton of Berne, for example, the latter were able to retain almost intact their ancient rights of property. In the greater part of the plain villages the burghers formed them-

selves into close private corporations, and sometimes, as in canton Berne, have sold and divided among their members the communal property. Further detraction from the common lands took place in early times when the meadows, gardens, vineyards, and other enclosures were allowed to pass into the private ownership of the occupants to whom their use alone had been allotted.

But though the economic side of local democracy is very incomplete, large shares of the public lands remaining in the hands of private corporations, while the burgher communities often form an inner ring, reserving to themselves large funds of public wealth and the administration of the same, it remains none the less true that the existence of local properties, held in common by large sections or the entire body politic, and employed in large measure for public purposes, has been a powerful bond of attachment between the Swiss citizen and his birthplace, and has furnished a continuous and a valuable education in the art of democratic local government. For of the 2706 communes ¹ almost all possess some land, some forest and some water rights, which, whether it is allmend and controlled by the economic corporation, or is communal in the fuller sense, appreciably contributes to the maintenance of the community.

Where the allmend is held by and for the whole burgher population, or even where, remaining in the hands of a narrower section representing the original landowners, it is allocated to public purposes, it furnishes a genuine support to local autonomy. This in two ways. The common lands, forest, meadow and cultivated fields, are apportioned in equal quantities to commoners who possess an inalienable right to their share in the free use of these lands, as well as in other incidental privileges. Except where towns or special industrial values have grown in their neighbourhood, these communal rights may

¹ 1352 German, 945 French, 291 Italian, and 118 in the Grisons.

seldom furnish a considerable income, still less a sufficient support, but for a large section of Swiss citizens they form an appreciable and highly valued addition to their livelihood. Not less important, perhaps, the allmend meets the chief expenses of public services, maintaining or helping to maintain the police, the roads, the school, the church, and thus reducing to a minimum the need of local taxation. Last, not least, the allmend secures to every burgher a decent maintenance in old age as a right, not as a charity.

So far as the value to individuals and members of a share in the communal property is concerned, it differs very widely. In some places it is worth several hundred francs per annum, in others it has shrunk to nothing.¹

But though communal property still plays a not unimportant part in the economic life of Switzerland, that part is constantly diminishing. The growing demands upon the burgher property for poor relief has in many districts greatly reduced the share of the individual members, while considerations of modern agricultural economy are tending to convert communal into individual property. A large number of burghers are non-residents and are careless about the administration of the allmend; the growth of capitalistic enterprise has reduced the relative importance of the land; and the increased mobility both of the business and the labouring classes has broken down the social solidarity of the commune. Many hold that as a distinctively economic structure the commune has done its work, and that the allmend as a basis of support for individual burghers must disappear; it is, they contend, a hindrance to good cultivation, a discouragement to thrift and industry, and a stimulus to early and improvident marriages. On the other hand, the conservative attachment to ancient

¹ An official return for canton Berne in 1893 showed that of 448 burgher corporations, 34 distributed nothing; 216 less than 50 francs; 152 from 50 to 100 francs; 41 from 100 to 200 francs; and 5 over 200 francs.

usages is re-enforced in the eyes of many by the belief that, so long as the communal property remains intact, it tends to modify the rigour of the factory system which draws its labour in such industrial cantons as Glarus, St. Gall, Appenzell, and Aargau, not from a mere floating proletariat, but from a population which still retains a certain definite stake in their native soil and a corresponding measure of economic independence. While, as we have pointed out, a certain process of erosion has been taking place, it cannot be said that a policy of disintegration of the communal property has any present prospect of adoption. The prevalent sentiment of the Swiss people supports the declaration embodied in the Constitution of the Helvetic Republic of 1799, forbidding the partition of communal lands on the ground that "these lands are the inheritance of your fathers, the fruit of many years of toil and care, and belong not to you alone, but also to your descendants."

On the whole the tendency is to reduce the hereditary and other personal claims of burgher families upon the communal property, and to apply to its use a fuller modern interpretation of public welfare. Where a primitive commune has developed into a large modern industrial city, common considerations of equity and public interest demand that the communal property shall be preserved and applied to the large general purposes of a developed municipality. Hence it has come to pass that in such municipalities as Berne, Zurich, and Bâle we find a rich array of public services founded and financed in large measure from the original allmend, though the direct administration of the property largely remains in the hands of a private or semi-public corporation. The new education, not so much in formal socialism, which is perhaps weaker in Switzerland than in other European countries, but in socialistic sentiments and ideas, is evoking in the great centres of culture and industry a conscious policy for the full municipal-

isation of all these corporate properties as the proper economic support for the improved civic life.

A more detailed consideration of the recent social developments of the leading Swiss municipalities will show how important a part is played by the survival of communal property. Our present purpose, however, is to trace the structure and the strength of political institutions of democracy in Switzerland, and this excursion into the subject of communal property is primarily designed to explain the toughness of the fibre of local institutions. The positive or relative decline of the economic self-sufficiency of the village commune and of the communal property might have gone further towards weakening the commune as a democratic unit, had not its definitely political functions assumed greater importance in modern times.

Since the formation of the Confederation the self-governing democratic commune has obtained an increased political significance which has in some degree compensated its economic decline. It is recognised alike by the Confederation and by the canton as the true unit of government in a wider sense than in any other civilised country of modern times. Not merely are its funds larger and more numerous, but its method of government marks it out as a peculiarly serviceable instrument in the education of Swiss citizens for the exercise of their civic functions in the wider areas of state and federal government.

The powers of the commune in what may be termed social policy and public health are very large. Public baths, playgrounds, promenades, public kitchens, libraries, museums, theatres, public rooms; poor law, insurance, unemployed relief, and in general all provision for the weak, sick or needy, commercial and industrial institutes and a variety of other economic unions, fall within the competence of the commune, though naturally only the larger and richer communes fully develop these resources. A large part of the administration

of the school system is vested in the commune, though here a special school commune is usually formed, which does its work partly by co-operation with neighbouring communes to form a district, partly under the control and with the subvention of the canton.

The commune is also a police centre responsible for the protection of life, property, and public order, and possesses a considerable variety of taxing and borrowing powers which, though nominally subject to cantonal control, leave a far larger amount of financial liberty to a Swiss commune than is usual in other countries. The growing tendency to supplement communal finances by central subventions for schools, public buildings, water ways, and other purposes, is however reducing the financial self-sufficiency of the commune in many cantons.

Besides these self-regarding duties the commune has to co-operate in various police affairs, in higher and technical education, in taxation, and in other departments of civil government with the state officials. Finally, the commune is the unit of government for naturalisation and for election purposes within the canton. When in addition to all these functions we take account of the administration of the communal property and the church, where, as in the smaller communes, the people are of a single faith so that the *Kirchen-Gemeinde* is identical with the *Einwohner-Gemeinde*, we shall recognise that the Swiss commune remains a powerful political structure. Autonomous in the strict sense it is not, for the constitution of the canton limits its rights and powers, and can modify or annul them; but in practice the commune possesses a large measure of independence in matters vitally affecting the lives of its inhabitants, and affords great scope for experiments in constructive democracy.

For the entire government of the commune rests in most cantons upon a basis of pure and direct democracy, the legisla-

tive, executive, and financial powers being derived from the direct vote of the full assembly of citizens. It is the New England township, the English parish meeting, but endowed with a far larger measure of practical self-government.

The following account of the structure of communal government is from the pen of Dr. Kistler, State Secretary of Berne:¹

“We find the popular commune as an independent structure in all the Swiss cantons with the exception of Appenzell, where the public functions devolve upon the district government. Even the functions which the commune has to fulfil are generally the same all over and differ only in their quantitative relations. Moreover, we have already pointed out the fact that, in many places where particular functions require fulfilment within the commune, companies are created which exhibit an independent organisation of their own and so come also to be described as communes. As a communal function which most usually claims such a separate organisation we find the school system, chiefly by reason of the fact that the school system frequently fails to coincide in its territorial area with the communal limits. There are school communes which embrace the area of several popular communes, and in other instances we meet with several school communes within the same popular commune. Separate school communes are found in Zurich, Berne, Glarus, rural Bâle, Appenzell I. Rh, St. Gall, Thurgau. We meet also with the same feature in the poor law system; here, however, chiefly because the charge of the poor has everywhere been an outgrowth of the burgher commune. But here, too, the area of the poor law commune does not necessarily coincide with that of the popular commune. Poor law communes are recognised in Nidwalden and Glarus. Other branches of government also betray a disposition to develop similar communal structures of their own, as for instance the services of street making, waterworks, and lighting, protection against

¹ *Handwörterbuch der Schweizerischen Volkswirtschaft*, II Band, ss. 233-6.

floods. Such functions are undertaken in Zurich by the so-called civil communes, in Thurgau by the so-called local communes, the former of which have more of a personal character resembling the burgher communes, while the latter have a purely territorial character. In the case of the Bernese home-unions (Schwellen-Genossenschaften), in spite of the similarity of their objects the communal character is less marked. In none of these forms is a territorial coincidence with the communal area essential. Corporations for the exercise of political rights constitute the so-called political communes (St. Gall) or election communes (Glarus). Finally, in Berne, where a church commune embraces several popular communes, the exercise of certain governmental departments can be organised on the church basis. The communal character of all these structures consists in a more or less independent organisation. They possess their own assemblies and officials.

"As organs of the popular commune, we have to take into consideration the popular Assembly, the Communal Council, the Communal Resident or Gemeinde Amman, and finally the various special courts and officials.

"The popular Assembly consists of the body of qualified voters in the commune. The basis of qualification everywhere lies in the political franchise, though in certain cantons the qualification depends also on a certain length of residence in Gemeinde. Article 43 of the Federal Constitution lays down, however, the regulation that the requisite length of residence shall not exceed three months. The Communal Assembly does its business in most places at fixed meetings, the summoning, conduct, and *modus operandi* of which lie outside our present consideration. In certain larger places the Assembly with public discussion has given way to a simple voting upon the proposals of the communal government and the elections by means of a ballot. The proper functions of the Assembly consist in passing of regulations, with the exception of special

matters reserved by government, the election of the proper governmental body of the commune (the Communal Council), and of the appointed officials and special functionaries, in due accordance with the communal regulations in actual force, the acceptance of the budget and communal accounts, the determination of the taxes, and also the assent to all expenditure exceeding a certain fixed amount. In some cantons the Assembly is invested also with further functions; for instance, in Schwyz the assignment of the burgher-right, in Solothurn the election of public employees whose salary exceeds 500 francs, in Ticino even the election of clergymen and doctors. In other cantons, on the other hand, the competency of the Assembly is more restricted, as in Nidwalden, where the Assembly has only to do with the appointments, while the entire government lies in the hands of the officials. This restriction is especially operative when a portion of the functions (as in the larger communes of Berne), or the entire burden of government, with the exception of appointments (as in the larger communes of Valais and Neuchâtel), has been handed over to a communal committee. In the election of this committee minority representation is prescribed by cantonal legislation in Neuchâtel; in Berne the method of election, majority, minority, or proportional representation, is left for the commune to determine by resolution.

“Finally, the organisation in those cantons, Bâle City and Geneva, where the commune and the canton almost coincide, by reason of its abnormal character, does not come within our present survey. The rights of the individual qualified burgher at the Communal Assembly consist in the right of free expression of opinion and of moving resolutions upon public matters concerning government. The resolution, however, is usually adopted that in the treatment of questions which have not been indicated in the summons of the Assembly, only matters of urgency should be determined. Naturally

these rights can only be exercised when the commune acts through open meeting. When the Assembly is conducted through the ballot, their place is usually taken, as in Neuchâtel and some communes of Berne, by the right of the initiative. The duty of the burgher to take part in the transactions, elections, and resolutions is for the most part regarded only as a moral one. Some cantons, however, impose a fine upon those who do not participate, while in others a right is conceded to the commune to summon under penalty.

“The Communal Council (Einwohner Gemeinde Rat) consists of a number of elected persons upon whom devolves the administration of the agreed accounts and communal resolutions by means of the executive organs, as well as the general conduct of the government. The number of members of the Communal Council is usually limited by law and fixed by communal regulation. In some cantons the number is regulated in proportion to population, and is therefore very different, varying from two, chairman and secretary (in certain communes of Graubünden) to thirty (in certain communes of Ticino.) But speaking generally, in most communes the number of members will vary between five and nine. Members are chosen by the Assembly for a fixed length of service. An exception, however, occurs in the case of Thurgau, where the chairmen of the local communes are likewise members of the municipal commune. Elections are usually determined by an absolute majority vote. Proportional representation, optional or facultative, is only found in Freiburg, Solothurn, Ticino, and Zug. The functions of the Council consist in the administration of the communal powers above described, to which is added the appointment of the subordinate officials and commissions. In cantons Vaud and Obwalden the control of church property is excluded. The business of the Council is disposed of either by the board as such (the communal system) or through individual members of the same, to whom

special branches of the communal government are allotted (the directional system). In the larger municipal communes these members or some of them are permanent officials.

"The Communal President (Amman, Maire, Syndic), besides being chairman of the Council, has in most cantons a certain independent position and function, and indeed must be considered on the one side as communal officer, while on the other he is accredited with certain duties of the state government, as, for instance, police court work and occasional prosecutions.

"The secretarial work of the Council falls to the Communal Secretary, whose secretarial duties comprise both the independent functions of the president and as a rule also the secretaryship of the commune."

"Besides the proper departments of government there exist almost everywhere special commissions, to which more or less independent powers are attached, and which, in fact, are appointed by the special communes (poor law communes, school communes) or by the popular commune, or finally by the Communal Council. To such belong the school commission, to which is committed either the complete school administration or merely the inspection. In some cases they have also to choose teachers; as regards the common school, however, this choice rests with the Communal Assembly or the Communal Committee (Berne). Freiburg alone retains for the State Council the right of selection of teachers. We have further to take into account the poor law boards, most of which occupy a position of greater independence, owing to the fact that they have grown up out of the burgher government and have only to do with the burgher poor.

"The Boards of Guardians (orphan officers) come into the same category, where guardianship is not a matter for the burgher commune, or has been taken over by the popular Communal Council. In individual cantons, by reason of the

assumption of other governmental functions such as taxation, water police, sanitation, and police, special commissions have come into existence, most of which, however, are subject to the Communal Council and are accountable to the same. Permanent individual officials may take the place of boards of commissioners (the police commissioner at Glarus)."

This account of the structure of communal government is interesting as illustrative of the variety and complexity of minor experiments in democratic government carried on by local organisations which at the same time all conform to a general type.

Everywhere the full assembly of male inhabitants determines by free vote important issues of local government, passing laws, voting taxes, endorsing expenditure, and imposing acts of policy upon its elected executive.

CHAPTER IV

THE LANDSGEMEINDE OR STATE COMMUNE

THE chief problem of democracy, the question of the direct or indirect exercise of popular power over the legislative, executive, and judicial functions of government, is nowhere studied to greater advantage than in the cantons of Switzerland. The democracy of the commune, the Gemeinde, though real and important in the power it exercises, is limited by the legislative supremacy of the canton. The Swiss canton, however, is in the real sense a sovereign state whose citizens possess all rights of self-government that have not been explicitly assigned to the federal government. Each of these states secures for the body of its free citizens unrestricted powers over the revision of its Constitution, the passing of laws, their administration, and the control of state finances; nowhere do the forms of this government contain any checks based on heredity, race, caste, property, upon the full expression of the will of the people. The extent, however, to which the people in the various cantons have in practice delegated their powers of legislation and administration to representative bodies and to more or less permanent officials differs very widely in the different states.

✓ Six states, Uri, Glarus, and the double cantons of Unterwalden and Appenzell, have retained the primitive form of a pure democracy in which the sovereign power of the people is directly exercised in all the critical acts of government by the full assemblage of citizens, forming the largest and most conspicuous examples of what Rousseau and certain other polit-

ical philosophers regard as the only real democracy, the voice of the people expressly endorsing every act of government. This extension of the communal idea to the larger commune of the state (hence the name *Landsgemeinde* or State Commune) does not come down from remote antiquity, but dates from the thirteenth and fourteenth centuries, when co-operative action between neighbouring communes became so frequent and so continuous as to require corporate expression in an organ of government. It was not unnatural that small populations, covering no considerable area of land and accustomed to determine all their local affairs by general meetings, should extend this method to the wider sphere of the canton, at any rate in those parts of Switzerland where natural conditions made it feasible to do so. Hence we find that in the fifteenth and sixteenth centuries most of the German cantons adopted this form of government, which was found in eleven states in the League of Thirteen, after the Reformation. Most of these governments continued up to the nineteenth century, Schwyz and Zug until 1848, but the tendency during later generations has been to substitute for the cantonal commune a qualified form of representative government. Mass meeting as an habitual mode of government is found ill-accommodated to the needs of a large and scattered population as well as to the complexity of public functions in a civilised state, and the general view of the *Landsgemeinde* appears to be that it is a belated survival of an old primitive order, retaining its life in a few small and conservative states and destined, as a matter of course, to disappear before the superior claims of the representative system, as soon as the growth of population exhibits its unwieldiness. There are, however, at present no signs of decay even in the two states Glarus and Appenzell A. Rh., where population and town life have attained considerable proportions, and the *Landsgemeinde* assuredly deserves study as a living instance of full direct self-government in a sovereign state.

Those who best understand the spirit of Swiss democracy are least disposed to set a purely antiquarian or romantic interest upon these popular gatherings with their ancient ceremonials. If we bear clearly in mind the conditions of numbers and of area which are essential to the proper functioning of such an organ of government, we shall recognise this expanded commune as a really important experiment for the determination of the special and constitutional limits within which direct popular government is possible. The significance of such experiments will be apparent to all those who reject the crude and false simplicity of the theory that the evolution of political institutions is entirely in the direction of increasing complexity of representative forms.

It is impossible to witness one of these solemn gatherings of the sovereign people of a Swiss canton without feeling how much more, in sentiment and thought, self-government means for such men than for those who, in our sovereign states, are gathered by mechanical devices to vote a party ticket bestowing powers of legislation, which they do not understand, upon persons whom they have never seen.

Professor Freeman, who was the first to rediscover this unique ceremony for modern English readers, gives the following picture of the gathering at Uri:

"It is one of the opening days of May, it is the morning of Sunday; for men there deem that the better the day the better the deed; they deem that the Creator cannot be more truly honoured than in using, in his sphere and in his presence, the highest of the gifts which he has bestowed on man. From the market place of Altdorf, the little capital of the canton, the procession makes its way to the place of meeting at Bözlingen. First marches the little army of the canton, an army whose weapons can never be used except to drive back an invader from their lands. Over their heads floats the banner, the bull's head of Uri, the ensign which led men to victory in the fields

of Sempach and Morgarten. And before them all, on the shoulders of men clad in a garb of ages past, are borne the famous horns whose blast struck such dread into the fearless heart of Charles of Burgundy. Then, with their lictors before them, come the magistrates of the Commonwealth on horse-back, the chief magistrate, the Landamman, with his sword by his side. The people follow the chiefs whom they have chosen to the place of meeting, a circle in a green meadow, with a pine forest rising over their head, and a mighty spur of the mountain-range facing them on the other side of the valley. The multitude of freemen take their seats around the chief ruler of the Commonwealth, whose term of office comes that day to an end. The Assembly opens; a short space is first given to prayer, silent prayer, offered up by each man in the temple of God's own rearing. Then comes the business of the day. Thus year by year, on some bright morning of the springtide, the sovereign people, not intrusting its rights to a few of its own number, but discharging them itself in the majesty of its corporate person, meets in the open market place or in the green meadow at the mountain's foot, to frame the laws to which it yields obedience as its own work, to choose rulers whom it can afford to greet with reverence as drawing their commission from itself. You may there gaze and feel what none can feel but those who have seen with their own eyes, what none can feel in its fulness more than once in a lifetime, the thrill of looking for the first time face to face on freedom in its purest and most ancient form." ¹

With somewhat less ceremonial the other cantonal communes conduct this annual work of government. Every qualified citizen, that is to say every male resident over the age of twenty (in the case of Nidwald eighteen) is entitled to be present and receives in due course a printed agenda of the business which will come before the Landsgemeinde. In Glarus and

¹ *The Growth of the English Constitution*, Ch. I.

the two Appenzells a fine for non-appearance is imposed. The regular business consists first of the election of the chief officials of the canton, the Landamman, or president, his substitute, the treasurer and the commandant of the militia, also the appointment of the federal deputies.

The drafts of all cantonal laws prepared by the Council (Rath or Landsrath), or the motions brought forward on the initiative of individual citizens, are voted upon by show of hands, and the acceptance or rejection of the same by a majority of the votes has absolute validity. In Uri and Glarus there is unrestricted freedom of discussion of all laws and motions, and in these states the Constitution invests the Landsgemeinde with the power of introducing amendments or modifications of the laws proposed. In the other cantons some restraints are imposed upon discussion, and the meeting must accept or reject the proposals in their entirety. The total or partial revision of the Constitution, the abolition of any existing law, the admission of new citizens, the authorisation of the state taxes and of all public expenditure exceeding a certain sum, are also general functions of the Landsgemeinde. The whole proceedings are marked by a spirit of solemnity and traditional good order, while a religious sanction is imparted by the opening prayer and the administration of the oath of allegiance to the Constitution. This oath is thus administered to the assembled citizens of Glarus gathered together with their women folk and their children, who for their instruction are set in the front seats of the meeting:

“We promise and swear truly and faithfully to keep the constitutional laws of the federation and the canton, to guard and protect the honour, unity, and strength of our Fatherland, its independence, and the freedom and rights of its citizens, and so may God help us.” To this oath, pronounced by the State Secretary, the Assembly gives its assent by repeating the words “This we swear.”

Security against waste of time and disorder is furnished by care in the preparation of the business. This is undertaken by the Council elected by vote of the local assemblies and entrusted with the general enforcement of the Constitution and of the laws and decrees of the Landsgemeinde, with the receipt of official reports, and the consideration of all laws and motions which are to be brought before the forthcoming Landsgemeinde. This Council is entitled to consider all proposals, to reject all frivolous or improperly formulated motions, and all sudden matters except in case of grave emergency: it also has the right upon the initiative of a body of citizens to summon an extraordinary assembly.

All legislation brought before the Landsgemeinde has thus been initiated or shaped by the Council. Formerly any person was at liberty to present a bill to the meeting, but this right has been cancelled and all bills are considered and reported upon by the Council, which must publish them in the programme submitted to citizens before the annual Assembly.

In Glarus the order of procedure for business introduced by individual initiation is this: In January of each year the Official Gazette publishes a notice requiring that all propositions to be submitted to the Landsgemeinde shall be sent in within fourteen days after a given date. The propositions must be in writing, accompanied by a statement of the objects to which they are directed and the reasons. These propositions are duly considered by the Landsrath and, if approved by ten votes, they are incorporated with a commendatory clause in the programme (Landsgemeinde Memorial) issued four weeks before the meeting of the Assembly. Motions not approved in the Council must also be inserted in the programme, but they are put in a special department, popularly known as the *Bei Wagen* or Special Coach.

The Assembly may by its vote endorse one of these as rejected proposals: in that case it must be placed in the

favoured list in next year's programme. The Council thus exercises in effect a limited veto.

In Appenzell (In Rh.) and in Upper Unterwalden all motions must be sent in first to the Grand Council, but if the latter refuse to present a motion it is competent for any citizen to bring it before the Assembly. The same rule with a further modification applies to Appenzell (Aus Rh.).

The general condition is that all measures must first be submitted to the Council, but that the adverse judgment of the Council does not prevent its supporters from obtaining the legislative sanction of the Assembly.

This Landsrath, by an expansion or reduction of its members and sometimes by an addition of other elected persons, forms other councils or committees, to which are entrusted judicial, police, and other executive functions. There is also a smaller body, called the Commission of State, directly elected by the Landsgemeinde and entrusted with minor administrative business.

With the growing complexity of public life the powers and duties of these councils of course become graver. Important administrative acts have been done upon their sole authority, and attempts have been made to restrict the practical competence of the Landsgemeinde by giving the Council the absolute determination of the agenda for public assembly, thus withdrawing from the body of citizens the right of initiative which they had hitherto possessed. This invasion of popular rights has, however, been repelled, and though the power of full free discussion is of necessity curtailed, all the determinant acts of government are retained in the hands of the sovereign people.

It is of course possible that in course of time the councils, constituting the representative factor, may further encroach upon the power of direct government through the popular Assembly. But hitherto the popular power has been jealously guarded.

The following account of the democracy of Appenzell (In Rh.) illustrates the attitude of the people in a rural canton:

"It has long been a constitutional rule of the State that no measure can be presented at the Landsgemeinde unless it has been passed upon by the Great Council. An inference from this might be that the Landsgemeinde merely goes through the form of accepting and rejecting what the Great Council has accepted and rejected beforehand. And in matters of slight importance this is usually the practice. But that it is not the practice in matters of more than slight importance is shown by the following incident: In the year 1891 it had been the prerogative of the Grand Council to choose the cantonal member of the Ständerat or Senate. In the Landsgemeinde of that year a citizen brought forward a measure (previously passed upon adversely by the Grand Council) to annul this prerogative, and place the election of Senator in the hands of the Landsgemeinde. The vote was taken and the measure passed." ¹

But while encroachments of the Councils upon the direct government of the Landsgemeinde are rejected, the latter in common with the other cantonal governments have suffered some diminution of power by the growth of the functions of federal government.

Though there is no likelihood of other cantons, some of which have tried and abandoned the Landsgemeinde, reverting to this form of pure democracy, it is equally improbable that these six states will quickly change a Constitution which seems well accommodated to their temper and their needs.

For the successful use of this form of government certain conditions are clearly requisite. We have already named two, small population and compact territory. The abandonment of the Landsgemeinde by Schwyz in 1848 was plainly attrib-

¹ *Pure Democracy and Pastoral Life in Inner Rhodes*, T. Irving Richman (quoted Deploige, p. 23).

utable to the extension of the size and population of this canton, imposing grave difficulties on the practice of the popular Assembly, and arousing in the outlying districts jealousy of the pretensions of the central district. Though the cantonal Landsgemeinde has disappeared, it has been replaced, by not ordinary representative institutions, but by six district assemblies (Bezirksgemeinde) which are practically Landsgemeinde, wielding all the powers formerly vested in the single cantonal Assembly. From this example it already appears that size is the determinant condition for the maintenance of pure democracy exercised by means of the popular Assembly. The state must not be so large as to prevent all citizens from having easy access to the place of assembly; nor must the number of citizens be so large as to render it impossible for all those present to hear the proceedings of the Assembly. These are the physical conditions for the effective unity of a legislative Assembly operating by means of the living voice. The number of qualified citizens in 1898 for the several Landsgemeinde are given as follows: Appenzell A. Rh. 12,500, Glarus 8,000, Uri 4500, Obwalden 3900, Nidwalden 3100, Appenzell I. Rh. 3000.

It seems evident that the two first named have come near to the limit of effective unity, and that in the case of Appenzell A. Rh., at any rate, the Landsgemeinde must weaken with any considerable growth of population. For the validity of such a government depends upon the active participation of the general body of citizens. At present it is estimated that some three-quarters of the qualified citizens obey the summons¹ to attend the Assembly. But let the gathering once grow so large that most of those attending are strangers to one another, while the advocates of measures have been unable to canvas or educate the opinions of any large section of the people: let the human voice fail to gather into unity of understanding and of sentiment the concourse of citizens, it is evident

¹ The highest recorded figure is eighty-six per cent.

that the soul of the Landsgemeinde must perish in its body, and the business of government pass into the hands of the officials or of some managing clique of citizens.

It is, however, right to recognise in these Swiss Landsgemeinde cantons other conditions of success hardly less essential than limitation of numbers and area. They are all mountain states with populations mainly devoted to pastoral and other rural pursuits, unlikely to develop into large centres of manufacture and commerce. Conditions of life are simple and conservative, no wide social or economic class distinctions exist, there are no divisions of race or religion. There are, therefore, no great demands upon the resources of government, no elaborate machinery of administration is required, nor need a multitude of new laws be devised to meet the rapid changes of a modern up-to-date population. Where every determinant act of government is performed upon a single day by the direct vote of the whole people assembled in person, paucity and simplicity of legislation are indispensable.

CHAPTER V

POPULAR CHECKS ON THE REPRESENTATIVE SYSTEM

I. *The Cantons*

Not only in the government of the thousands of local communes and of the six State Communes, but throughout the cantonal and federal system of Switzerland, a direct expression of the will of the people stamps every constitutional or important legal change. The sharp contrast sometimes drawn between the communal cantons and those with representative legislatures is deceptive. The real distinction is only of degree, not of kind.

The representative principle, as we saw, was not absent from the communal cantons, each of which had its elected Council or Councils, endowed with considerable executive and certain regulative duties which imply minor legislative powers. So in the case of the cantons which are described as representative in their legislative institutions, the legislative powers wielded by the representative bodies are everywhere checked by constitutional restraints intended to secure to the direct judgment of the people the final right of determination in all vital acts of government. These restraints vary in rigour, but they are always real, and are everywhere imposed in the interest of direct popular government.

Nowhere, at no time, have the Swiss accorded to their elected representatives the position and the power commonly possessed by parliamentary assemblies in Europe or in America.

Their political history has not furnished the need or the

practice required for a full development of the representative system. The territorial subdivision of their little country did not impose the necessity of regular representation: cantonal government was comparatively slight, and no aristocracy fastened so strong and so abiding a yoke upon the people as to arrogate an exclusive right of legislating upon their behalf. The body of citizens continued to enjoy such a degree of equality and of economic independence as to make them unwilling to entrust the determination of important public issues to any gathering of elected persons. In other instances, when a city such as Berne or Zurich acquired considerable tracts of half-subject territory, the beginnings of representative institutions began to appear in the middle ages, but were checked by the temporary emergence of an oligarchy in these cities which maintained control until the epoch of the revolution.

✓ Genuinely representative government thus never got a firm footing in the cantons. Federal government was, until the nineteenth century, neither of a form nor a substance to admit of true representation. The Confederation was a league of independent states varying in personnel and number, to which delegates were sent from the several cantons with purely consultative powers. Not until the constitution of the Helvetic League was there any central government large enough in its powers to require the exercise of genuine representation on the part of the cantons.

✓ In a word, until modern times, the working politics of Switzerland were such that there was no necessity to invent representative institutions such as arose in other countries where co-operate activities were developed in most various forms and over larger areas of territory and of population.

When, therefore, modern conditions, such as the increase of population, the growing intricacy of commerce, the needs of more complex social legislation within the canton and the Confederation compelled a larger and more systematic recourse

to representative government, it was only natural that the old safeguards should be retained, partly in virtue of a democratic theory, but more largely as a conservative instinct wrapped up in the concept of a personal right.

The chief of these safeguards of democracy, the referendum, is sometimes traced back by historians to origins in the political history of the Grisons and Valais, or to customs prevailing in Berne and Zurich during the fifteenth and sixteenth centuries. Others lay stress upon the influence of the great Swiss philosopher Rousseau, whose Social Contract must have deeply impressed itself upon the minds of his countrymen during the period when their old institutions were thrown by Napoleon into the melting-pot to reissue in new rational moulds. But though ancient precedent and philosophic reflection may have exerted some conscious influence, the adoption of the referendum and other accompanying checks on the newly applied representative system must be attributed in the main to the self-protecting instinct of Swiss local democracy, improvising a tolerably obvious set of checks upon what Whitman terms "the never ending audacity of elected persons."

✓ The history of the introduction of the referendum into the Constitution of the cantons and the federation clearly indicates that it was devised as a weapon of the people against certain abuses inherent in the representative system. It may be possible to establish in the future a democracy which enables the will of the people to work freely and fully through representative institutions, but past history shows no example of such an achievement. In every country where it has been tried, an aristocracy or an oligarchy resting on birth, social prestige or economic power, has obtained such control of the machinery of representation as enables them to impose their class interests upon the policy of government.

The Swiss cantons in the early nineteenth century proved no exception to this rule. The Act of Mediation which drew up

the Constitution of 1803 laid down the primary principle "that there no longer exists in Switzerland either subject lands, or privileges of place, birth, persons or families."

The Federal Agreement of August, 1815, to which the twenty-two cantons gave their solemn assent, repeated the principle in its 7th Article, "The Confederation declares this principle to be inviolable: that since the twenty-two cantons have been generally recognised as such, there are no longer in Switzerland any subject countries, and, in the same way, the enjoyment of political rights can never in any canton be made the exclusive privilege of any one class of citizens."

In point of fact the single legislative chambers in which representative government took shape at the beginning of the nineteenth century, in most of the cantons, soon fell into the hands of a ruling clique in the principal towns, and, being endowed with practically absolute power became powerful instruments of oligarchic sway. Even when the liberal movement of 1830, sweeping over the country, restored the forms of popular government by extending the franchise and abolishing the system of indirect election, the people continued to look with jealous eyes upon the elected assemblies and were unwilling to leave in their hands the determination of vital affairs.

The new constitutions, set up after 1830, contained all the main essentials of representative democracy, a single chamber with no presidential veto, universal suffrage, equal electoral areas by population and a popular veto for constitutional changes. Full legislative power was vested in the Great Council thus elected, and the Small Council forming the executive was entirely nominated by the members of the Great Council.

To those who believe that the search for Democracy is the search for a balance or harmony between representative and direct forms of popular government these cantonal constitutions of 1830 are most instructive. Their makers threw

themselves whole-heartedly into the logic of democratic representation. Since the people were to govern through their delegates the latter must enjoy all the powers and prerogatives of the former. The great Council was, therefore, endowed with complete legislative powers as regards all matters not expressly reserved by the Federal Constitution. It was also the sole source of executive and judicial power, appointing the members of the government and electing the judges. No adequate safeguards against hasty legislation existed. A bill moved quickly through the Council, even in those cantons, where three separate readings were required, and passed into law without any external discussion or sanction. Administrative orders were even exempt from these slight restrictions or delays, so that the Great Council could, whenever it chose, govern by executive authority.

It was inevitable that powers so wide and absolute should be abused. The people, having stripped themselves of every shred of sovereignty, and having handed it over to the Grand Council, discovered that the latter developed, in its majority, a will which was not the will of the people, but which acted more or less independently and often in antagonism to it. Interests re-established themselves in the seat of authority; ill-considered laws got into the statute book, and elected persons without the fear of the people before them neglected or abused their trust.

The defenders of representation insisted that the only desirable remedy or check was "shorter parliaments," and they proposed to limit the duration of each Assembly to one or two years, and in some instances to put in the hands of the people the right of dissolution as well as the election of the executive.

But the democrats refused to be put off with reforms which in their judgment were not even half measures. They insisted that "the people must have the right of initiating, discussing, and sanctioning, their own laws," and that in order to achieve

this end the rights of referendum and initiative must be secured.

The controversy leading to the adoption of the referendum took shape first in St. Gall, in the form of a demand made by the democrats that the sovereignty of the people should be stamped upon all laws and that it should be the fount of origin for new laws. The agitation for the initiative was thus coeval with that for the referendum, and the "thinkers" of the movement, at any rate, saw and urged their linkage in the framework of democracy.

But since it is more important to stop what you do not like than to secure what you do like, the logic of events gave priority to the referendum, which is in effect a power of veto upon the laws submitted under it.

Referendum in the form of a veto¹ was first established in the Constitution adopted by St. Gall in 1831, and the following Articles are of importance as a formal expression of the reasons and sentiments which operated in its adoption.

Art. 2. The people of the canton are sovereign. Sovereignty, which is the sun of all the political powers, resides in the whole body of the citizens.

Art. 3. It results from this that the people themselves exercise the legislative powers, and every law is submitted to their sanction. This sanction is the right of the people to refuse to recognise any law submitted to them, and to prevent its execution in virtue of their sovereign power.

Art. 135. The approval of laws reserved to the people by Art. 3 of the Constitution applies, namely:

¹ "The essential difference between the veto and the referendum consists in the fact that in the latter the fate of a law is determined by the majority of the votes actually cast, while in the veto a law is rejected only in case a majority of all the registered voters have voted in the negative. In other words, the men who do not vote at the referendum are neglected, while in the veto they are treated as if they had voted affirmatively."

(a) To all branches of legislation, civil and criminal, and to the treaties which refer to these subjects.

(b) To all fiscal laws of general import.

(c) To the laws relating to the administration of the communes.

(d) To all laws on military matters.

Art. 136. The laws mentioned above come into force forty-five days after their publication, if the people have not refused to sanction them before the expiration of this time.

Art. 137. As soon as fifty citizens of a political commune demand it, a communal assembly must be held to decide whether the law submitted to them shall be opposed or not.

Art. 138. If the majority of the communal assembly resolve to raise no opposition, the law is considered to be approved by the commune. In the contrary case, the Amman of the commune shall communicate the result at once to the Amman of the district, and he in his turn shall advise the Small Council by sending them a copy of the report of the meeting.

Art. 139. This document shall indicate the number of active citizens in the commune who have respectively voted for or against the proposed law. Non-voters are classed as voting in the affirmative.

Art. 141. If the number of those who have rejected a law exceed (half?) the total number of citizens (sic) by one, the law falls through.¹

In other words, the St. Gall amendment adopted by the people gave to the majority of the registered voters the power to veto laws passed by the Grand Council. Unless so vetoed, laws passed into effect without express endorsement by the popular vote.

The example of St. Gall was followed next year by Rural Bâle (where the veto, however, required a vote of two thirds of the registered voters), in 1839 by the Valais, and in 1841 by

¹ Quoted Deploige, p. 72.

Lucerne. But this veto stood on no firm democratic footing, and though several other cantons toyed with it, it soon gave way before the superior democratic claims of the referendum, by means of which the people expressed their assent or dissent by a majority, not of registered voters but of actual voters.

Valais was the first to adopt the referendum in its most stringent form, a constitutional amendment of 1846 requiring all laws to be submitted for acceptance or rejection to the popular vote. This general referendum was, however, found too legicidal, and it gave way in 1852 to a strictly limited referendum on finance. In 1845, Vaud, and in 1846 Berne, established a referendum at the option of the Great Council. But these were timid experiments which shortly yielded to a bolder policy.

Between 1850 and 1870 most of the German cantons adopted the referendum, either in its obligatory form requiring all laws (with certain named exceptions) to be submitted to the popular vote, or in what is termed the optional form by which a vote can be demanded on the petition of a certain number of citizens.

More slowly the French and Italian cantons fell into line, until by 1880 all, with the single exception of Freiburg, possessed some form of referendum for ordinary laws.

In 1874 the Confederation itself established an optional referendum.

The actual position of the referendum with date of adoption as an instrument in Swiss government is summarised by Deploige in the following convenient table:

Confederation	.....Optional	.....1874
Zurich	.....Obligatory	.....1869
Berne	.....Obligatory	.....1869
Lucerne	.....Optional	.....1869
Schwyz	.....Obligatory (general)	.....1848 and 1876
	Optional (treaties)	.....
Zug	.....Optional	.....1877
Freiburg	.....None	
Soleure	.....Obligatory	.....1869 (optional, 1856)

Bâle, City	Optional	1875
Bâle, Rural	Obligatory	1863
Schaffhausen	Obligatory	1895 (optional, 1876)
St. Gall	Optional	1861 and 1875 (but Federal Ref. before)
Grisons	Obligatory	1852
Aargau	Obligatory	1870
Thurgau	Obligatory	1869
Ticino	Optional	1883 and 1892
Vaud	Optional (general)	1885
	Obligatory (finance)	1861
Valais	Obligatory	1852
Neuchâtel	Optional	1879 (obligatory finance, 1858)
Geneva	Optional	1879

If the will of the people is to be really paramount as the determinant factor in specific acts of government, it is evident that this object is not fully attained by any sort of referendum merely enabling the people to express their judgment upon measures which have originated in the Assembly. Such a referendum enables them to veto legislative or certain executive proposals from which they dissent; it confers upon them no power of giving effect to their positive desires and judgments. If the people is really to rule, it must be able to propose as well as to express assent and dissent. The power of initiating legislative and constitutional changes is inherent in the logic of democracy.

That the "sovereignty of the people" implies the right to propose and carry out changes in the Constitution of their state is tolerably obvious. Every cantonal Constitution admits this right; in every canton save Geneva, a specified number of citizens can demand at any time that the question of a constitutional reform shall be referred to popular vote. This constitutional initiative is qualified in the case of Geneva by the proviso that the question of revision shall be brought before

the people periodically every fifteen years; in the case of Schaffhausen no specific but only a general revision of the Constitution can be proposed by means of the initiative.

But the democratic wave which swept over the country after 1860 carried popular control beyond the constitutional initiative. It must be possible for the people, when they desire positive legislation, to compel the Assembly to discuss concrete proposals and to submit them to the popular vote. Otherwise the referendum only operates as a veto, not as a creative force in legislation. The right of petition, by which in most countries with parliamentary institutions specific measures commanding some popular support are urged upon legislative assemblies, was not satisfactory to Swiss democrats. The "people" must be endowed with a power of initiating laws concurrently with the Assembly.

Though the initiative is in fact complementary to the referendum, its introduction into the cantonal constitutions was due to a separate democratic impulse. It was first adopted by Vaud in 1845, followed by Aargau in 1852, before either of these cantons had a referendum for ordinary laws. At that time it was regarded, not as an instrument of direct popular legislation, but as a form of mandatory petition, designed to keep the Assembly in closer touch with the popular will by compelling it to take up questions that had aroused popular desire.

The legislative initiative has now been adopted by every canton with three exceptions, Lucerne, Valais, and Freiburg. It means that any citizen who desires to propose a law, and who can secure the assent of a sufficient number of his fellow citizens to the draft he has prepared, can compel the Assembly to consider the proposal, to report upon it, and finally to submit it to a referendum.

The effect of the initiative is to endow the people with a full power of legislation independently of the Assembly. Every

law proposed and passed by the Assembly may or must require the express sanction of the people before it becomes operative, but a law proposed and passed by the people requires no corresponding sanction of the Assembly. When the people chooses, the Assembly is converted from a truly legislative into a merely deliberative and advisory body, dependent for its power on purely "moral" influence. The people using the initiative and the referendum may legislate above the heads of the Assembly.

"The people exercise the law-making power with the assistance of the state legislature," is the terse description of the position, as laid down in the Zurich Constitution.

The introduction of the initiative into the Federal Constitution was later and is far less complete. Though an initiative for ordinary legislation was proposed in the Constitution drawn up by the Federal Assembly in 1872, that provision was not embodied in the Constitution actually adopted in 1874. Thus the initiative was confined to constitutional revision, and when an attempt was made, in 1880, to introduce a particular amendment endowing the federation with a monopoly of the issue of bank notes, the Federal Assembly decided that the application of the constitutional initiative could only apply to revision of the Constitution as a whole, no specific proposal being valid.

After long debate an article was adopted in 1891, allowing particular amendments of the Constitution to be proposed by the initiative and to be put to a referendum. How far this amendment does in fact allow the proposal of federal laws by initiative depends upon the delicate question of the delimitation of laws and particular constitutional amendments, and cannot be here discussed.

II

Having given this brief general account of the nature and historic origin of the referendum and the initiative, the two

chief co-operative instruments of direct popular government, it is desirable to indicate with more precision the actual amount of control over the representative element thus conveyed, and the methods of its exercise.

We will deal first with the governments of the cantons, discussing popular control, first over constitutional, then over legislative, action.

Constitutional Changes

The general principle which governs changes in cantonal constitutions is laid down by Article 6 of the Federal Constitution of 1874.

"The Cantons are obliged to obtain the guaranty of their constitutions from the Confederation. This guaranty is given on condition that these Constitutions have previously been accepted by the people, and that they may be revised when an absolute majority of the citizens demand it."

This article asserts in general terms the popular initiative and referendum as the method of constitutional revision.

Every cantonal Constitution contains a provision for the exercise of this popular right and prescribes the number of signatures necessary to give validity to a demand for revision.

The numbers vary widely in the various cantons. In Glarus and Appenzell (In R.) one person can initiate revision, in Zurich one person supported by one third of the Council; in St. Gall the number is 10,000 (about one fifth of the entire body of citizens); in Berne, 15,000 (about one eighth).

The popular initiative is applicable either to a total or a partial revision of the Constitution. In the case, however, of a general revision, the people cannot in any canton initiate the form of the revision, they can only instruct the government to prepare a draft. The order of procedure for general revision is this: When the requisite number of electors has demanded

revision, the government puts to the people by referendum the question, "Do you desire a general revision?"

In the case of an affirmative vote, the duty devolves either upon the Great Council, or upon a specially summoned Constituent Assembly, to prepare a draft of the constitutional revision.

In certain cantons, Aargau, Rural Bâle, Freiburg, Geneva, Lucerne, Schwyz, and Solothurn, revision is always undertaken by a Constituent Assembly; in the case of others, Bâle City, Berne, St. Gall, Neuchâtel, Schaffhausen, Ticino, Thurgau, Vaud, and Valais, the people decides in the preliminary voting whether the Grand Council or a Constituent Assembly shall revise. In the Grisons a vote is taken on the question whether the existing Grand Council shall be dissolved and another elected to make the revision.

An absolute majority of the electors actually voting determines whether the revision shall take place, save in Lucerne where the majority must be a majority of the registered voters.

When the Grand Council or the Constitutional Assembly has prepared the draft of a revised Constitution, it is submitted to a referendum, and comes into force when a majority of the electors has accepted it. The majority here also is of the actual voters, except in the case of Zug, where it is of registered voters.

There are thus two referendums necessary to secure a revision, one to determine that a revision shall take place, another to accept the proposed revision. Nowhere is it left to the people to draft the form of the general revision.

The case of partial or particular amendments of the Constitution is somewhat different.

The statutory number of citizens favouring an amendment may proceed in either of two ways, "a general motion" (*einfache Anregung*) or by a bill drafted by themselves (*ausgearbeiteter Entwurf*).

If a proposed amendment is put into the shape of "a general motion," it may be brought before the people at once, in certain cantons, the Grand Council reporting favourably or adversely upon it. If the people accepts, the Council must carry out the revision.

In certain cantons, viz., Zurich, Berne, Aargau, Lucerne, Bâle City, and Solothurm, the Council, if it agrees with the proposal, may draft the article without more ado; if it does not agree, it must submit the question to the people, and, in the event of the acceptance of the motion, must draft the revision.

In three cantons, Schwyz, Ticino, and Schaffhausen, it is obligatory on the Council to draft a revision in the sense of the motion submitted to it, and to present this revision to be voted upon in a referendum.

In some cantons, including Zurich and Berne, it is open to the initiators of a constitutional amendment to proceed by bill. In this case the Council must submit the bill as it stands to the people for acceptance or rejection, though in a few cantons, viz., Zurich, Schaffhausen, Grisons, Ticino, and Solothurm, it is open to the government to present a counter proposal which is also voted on. Partial revisions are usually undertaken by the Grand Council, though in a few cantons the people determine whether a partial as well as a total revision shall be submitted to a Constituent Assembly.

A partial amendment of the Constitution, initiated by the people, can thus become operative after acceptance by a single popular voting.

Both in the case of a general and a partial amendment of the Constitution the Grand Council may initiate and propose such amendments. They may do so upon their own authority in Zurich, Zug, Valais, Thurgau, Grisons, Solothurm, and Appenzell (In Rh.); in certain other cantons, Berne, Schwyz, Glarus, Schaffhausen, Appenzell (outer Rh.), St. Gall, and Aargau, they may undertake partial but not general revisions

without consent of the people; elsewhere, Freiburg, Obwald, Nidwald, Bâle (Rural), Neuchâtel, and Ticino, the Grand Council must obtain the consent of the people before undertaking either general or partial revision. In every case the final ratification of the amendment rests with the people.

While a general revision is voted *en bloc* at the referendum, a partial revision is sometimes submitted in various compartments, according to the articles of the Constitution affected, or according to some grouping of the proposed amendments.

The popular rights are thus seen to comprise full power on the part of a majority of the voters in a canton, to accept or reject any changes in their Constitution, and on the part of any substantial body of citizens to compel the submission of any amendment to the vote of the people.

A bare majority of the actual voters can at any time alter the constitution of their canton within such limits as are laid down in the Federal Constitution.

The popular right of legislation is, as we have seen, secured in almost all the cantons by the use of the initiative and the referendum.

In every canton, save three, a substantial body of electors (varying in size from 1000 in Zug, Bâle City and Schaffhausen, to 6000 in Vaud) can, by signing their names to a demand for a legislative change, compel the government to submit the question to a referendum and to carry out the will of the people thus expressed. This legislative initiative may take the shape (1) of proposing a new law (except in Rural Bâle), (2) of repealing or amending an existing law (excepting Schaffhausen), or (3) of proposing a decree or resolution (except in Schwyz, Aargau, and Schaffhausen).

The promoters of the initiative may express their legislative demand in general terms, or they may formulate it in a bill.

If the initiative takes the former shape, it is a general instruction to the Grand Council either to draft a bill and submit it to

the people (Schaffhausen and Thurgau), or first to submit to the people the question whether the Grand Council shall consider and draft a bill afterwards to be submitted to the people. In most cantons, however, the *modus operandi* is this: The Grand Council considers the initiated proposal, and, if it approves, drafts a law and submits it to the people; if it disapproves, it submits the original demand to the people, and if the people accepts, then the Council drafts the law.

Thus the disapproval of the Grand Council involves two referendums instead of one, before the initiated motion becomes law.

The more advanced democratic instrument is the proposal by bill, known as the "formulated initiative." Here the bill drafted by a body of citizens must be presented as it stands to a referendum. The Council, when it disapproves the bill, can present at the same time a counter proposal or a recommendation that the bill be rejected. The use of the "formulated initiative" has gained considerable way in the cantonal governments. The cantons that give formal recognition to it are Zurich, Solothurn, St. Gall, Geneva, Berne, Schaffhausen, the Grisons, Bâle City, and Ticino; but the constitutions of the other cantons do not exclude it, and the advanced democrats everywhere favour the recognition of this simplest and completest form of direct government.

So far as the initiative is actually used, it forms the strongest invasion upon the practice of representative government. For even in the case of the general initiative the business of the Council is cut down to that of a drafting committee, while the "formulated initiative" converts it into a mere instrument of formal registration, except so far as the recommendation of the Council carries moral weight with the electorate.

Measures which originate in the popular initiative proceed as a matter of course to the referendum for acceptance or

rejection. But the Council retains a concomitant power of proposing legislation, and in point of fact most bills originate in the Council: the popular initiative in the cantons has never yet been largely used. In all the cantons except one most ordinary legislative proposals of importance must receive the direct sanction of the people through a referendum, and the referendum thus ranks as the potent instrument of popular control over the representative system.

In some cantons the referendum is obligatory, in others optional. To the former class belong Zurich, Berne, Schwyz, Solothurn, Schaffhausen, the Grisons, Aargau, Thurgau, Valais, and Rural Bâle. In most cases, this implies that all laws, certain treaties, certain administrative decrees, must receive the endorsement of a popular vote before they are valid. In all these instances, finance is expressly reserved for the people in the sense that every estimate of expenditure exceeding a certain sum must be approved by the people. Where, however, the entire state budget has been submitted to the people, as formerly in Berne and Aargau, the public embarrassment caused by an adverse vote proved so great that the practice was abandoned.

It is important to recognise what are the acts of government commonly or universally withheld from the referendum. They may be considered to fall under two heads: first, those acts which, by reason either of urgency or intricacy of special detail, are assigned by the cantonal constitutions to the Grand Council: secondly, others which custom or common consent has usually secured to them. Urgent decrees relating to public safety, certain treaties, appointments of minor officials, expenditure or borrowing of small sums, are commonly within the formal competence of the Grand Council.

Where the optional referendum exists, viz., in Lucerne, Zug, St. Gall, Vaud, Neuchâtel, Geneva, and Bâle City, the popular power is not in substance less than where the compulsory

system operates. For the option to compel the submission of an issue to the people is vested in a popular initiative.

In Zug, 500 citizens can secure a referendum, 1000 in Bâle City, 2500 in Geneva, 3000 in Neuchâtel, 4000 in St. Gall, 5000 in Lucerne and Ticino, 6000 in Vaud. It is evident that wherever a majority of the people is actively opposed to a measure they are able to secure its rejection, though a practical check of some importance is furnished by the provision that the demand for a referendum must be presented within a space of time varying from thirty days to six weeks after the official publication of the law, decree, resolution, or treaty in question.

In certain cases the Grand Council, or a quorum of its members, has also an option to compel the submission of a measure to the referendum, but this privilege is seldom used.

Whether the referendum is compulsory or optional, the voting usually takes place on a Sunday in the spring or autumn or both. In most cantons there are at least two votings in the year, and since the rule prevails in Berne and elsewhere, that the Great Council may summon an extraordinary voting, the citizens in these cantons may be called upon to vote three times or even more.

The referendum, whether taken by itself or with the initiative, must be considered as establishing the actual sovereignty of the people in concrete and individual acts of government. With the exception of such powers as the popular-created Constitution expressly reserves for the Grand Council, the people sets its seal upon all important legislative and administrative acts. In form the referendum implies rather the suppression rather than a control of the representative system, reducing the Council to a merely drafting or advising board. In reality, however, the Councils manage to retain a considerable measure both of legislative and administrative power. The people cannot, of course, follow in detail the intricacies of

modern government, even within the tolerably narrow confines of a rural canton; not only many matters of detail must be left to the representatives and permanent officials, but many important acts of policy which appeal to no strong interest or feeling rest with them.

CHAPTER VI

DIRECT DEMOCRACY IN THE FEDERATION

BEFORE tracing the direct powers exercised by the people in the federal government of Switzerland, it is desirable to indicate the extent of the legislative and executive competency of the Confederation. The legislative powers assigned by the Constitution of 1874 are very large. They include: (1) The organisation and administration of the army. (2) Superintendence of dyke and forest police. (3) Legislative Control of hunting and fishing. (4) Construction and management of railroads. (5) Customs. (6) Sanitary and protective legislation in factories and other industries. (7) Control of emigration and insurance. (8) Legal restrictions on issue and redemption of bank notes. (9) The civil law and procedure. (10) Criminal law and procedure. (11) Electoral legislation.¹

Mr. Lowell comparing Swiss with American federal government, writes thus:²

“The legislative authority of the national government is much more extensive in Switzerland than in this country, for in addition to the powers conferred on Congress it includes such subjects as the regulation of religious bodies and the exclusion of monastic orders, the manufacture and sale of alcoholic liquors, the prevention of epidemics and epizootics, the game laws, the construction and operation of all railroads, the regulation of labour in factories, the compulsory insurance of workmen, the collection of debts and the whole range of com-

¹ Cf. Deploige, 112.

² *Governments and Parties*, Vol. II, 187.

mercial law. Besides all this, the central legislature is given power to interfere in other matters which are not directly subject to its control. The streams and forests and the most important roads and bridges, for example, are placed under its supervision; and the cantonal laws on the press, and on the right to acquire a settlement and vote on communal affairs, must be submitted to it for approval."

As regards administration the federal laws are usually carried out by cantonal authorities. "Except for foreign affairs, the custom house, the postal and telegraph services, the alcohol monopoly, the polytechnic school, and the arsenals, the federal government has scarcely any direct executive functions, but acts in the way of inspection and supervision."

Federal power of interference with local administration is, however, very great. The Confederation, for instance, is empowered to compel the cantons to furnish free, compulsory, and non-sectarian education, to protect the franchises of the individual citizen against the infringements of local authorities. Still more important, the federal government can intervene of its own accord in case of internal disorder, even where not invited to do so by the cantonal authority.

What is the relation of the people to this Federal Constitution, and what are the legislative and executive powers of the federal government?

Turning first to the methods of amending the Constitution, we find that the people possesses co-equal powers with the houses of the national legislature in initiating either a general or a particular revision. This was not the case before 1891. Previous to that date the right of initiating particular amendments was confined to joint action of the two houses, though for general revision the initiative could be set in motion by fifty thousand voters, or by a single house without the consent of the other.

A constitutional amendment in 1891 conferred upon the

people the same power of initiating a particular revision as they had previously possessed in the case of general revisions.

This amendment, forming Article 121 in the Federal Constitution, reads as follows:

“A partial revision may take place by means of the popular initiative, or through the forms prescribed for ordinary federal legislation. The popular initiative consists in a demand by fifty thousand Swiss voters for the addition of a new article to the Constitution, or the repeal or modification of certain constitutional articles already in force.

“When the popular initiative is used for the purpose of amending or inserting various articles in the Federal Constitution, each modification or addition must form the subject of a separate initiative demand.

“When a demand is couched in general terms, and the Federal Assembly approves it in substance, it is the duty of that body to draw up a partial revision in the sense of the petitioners and to refer it to the cantons for acceptance or rejection.

“If the Federal Assembly does not approve the proposal, then the question, whether there shall be a partial revision or not must be submitted to the vote of the people; and if a majority of Swiss citizens taking part in the vote express themselves in the affirmative, the revision shall be undertaken by the Federal Assembly, in conformity with the popular decision.

“When a demand is presented in the form of a bill complete in all its details, and the Federal Assembly approve it, the bill shall be referred to the people and the cantons for acceptance or rejection.

“In case the Federal Assembly does not agree, that body may draft a bill of its own, or move that the people reject the demand; and it may submit its own bill or proposal for

rejection to the vote of the people at the same time as the bill emanating from the popular initiative."

It will be observed that in every event an amendment, whether general or particular, must obtain the sanction both of a majority of the voters taking part in the referendum and of a majority of the cantons.

Here is the combination of state rights and democracy which is characteristic of modern federalism. No provision exists, however, for a quorum of states in setting the initiative in operation, or in determining by referendum whether a revision shall take place in cases where the Federal Assembly disapproves a general demand.

An absolute majority of voters and states can thus effect any alteration in the Federal Constitution, general or partial, which seems good to them. The Federal Assembly cannot prevent a body of 50,000 citizens from submitting to the vote of the people any constitutional change they favour. Two impediments alone it can present. When it disapproves a general (unformulated) demand, it can force two votings to take place before effect is given to such demand: first, a referendum to the people to decide whether a revision is desired, second, a referendum to the people and the cantons to sanction the actual form of the revision.

The only large formal defect in the direct popular government of Switzerland consists in the absence of a popular initiative for the introduction of federal laws; while fifty thousand voters may initiate any constitutional change, they cannot introduce a law. It is probably true that this defect is more formal than real, and that, if a sufficiently urgent occasion arose, the distinction between a partial amendment of the Constitution and an ordinary law cannot be so clearly marked as to preclude the latter from being introduced in the guise of the former.

Still it remains a matter of constitutional and practical importance that no initiative for federal legislation is directly

vested in the people. All ordinary legislation is initiated in one of the two directly elected Houses of Assembly (the National Council and the State Council), or in the Federal Council, or in the cantonal governments. But all ordinary federal laws and decrees are subjected to an optional referendum.

The formal demand by thirty thousand citizens, or eight cantons, received within three months after the law or decree has passed the Chambers, secures its submission to a referendum, the result of which is determined by a majority of actual voters without regard to the approval of the cantons.

The cantonal unit, which is recognised in constitutional amendments, is thus disregarded as a factor in federal legislation. The ground for this denial is, of course, the fact that the cantons by the act of endowing the federal government with powers of legislation under the Constitution have intentionally deprived themselves of any right of veto upon laws passed conformably with this Constitution. The fact remains that laws can be and have been passed ¹ by a referendum in which the majority of voters, validating the law, was opposed by a majority of the cantons.

While the popular right to secure upon demand a referendum applies to all federal laws, it does not apply to all decrees. "Federal decrees," says the Constitution, "which are of general application, and which are not specially urgent, are likewise submitted upon demand."

It is evident that a loophole here exists for evasion of a popular vote. What is a Law, and what a Decree? There is no definition of these terms either in the Federal Constitution or in the law of 1874, regulating the procedure of the referendum. The determination of this important question has been conferred by a law of 1874 upon the Federal Assembly, which is empowered to settle in each case whether a proposal is a law or a

¹ *e.g.*, The law on marriage, December, 1874. The bankruptcy law, November, 1889.

decree, and in the latter event whether it is normal in its application or urgent.

Here is a palpable abridgment of the sovereignty of the people. The Federal Assembly by a majority vote can decide that a particular proposal is a decree which shall not be put before the people but which shall forthwith come into operation.

Though no clear determination of matters to be withheld from the referendum has been reached, certain subjects have by custom been withheld since 1874. Of these the two most important are, treaties with foreign states and federal finance (including budgets, estimates, and appropriations for war material). Other matters habitually withheld are (1) resolutions applicable to special cases, such as decisions in administrative disputes; (2) resolutions voting subsidies for such urgent public works as protection of rivers and construction of roads.

The institution of the referendum for ordinary legislation involves a certain machinery not merely of voting but of education. All ordinary laws and decrees, therefore, which have been passed by the Assembly are forwarded to the Federal Council, which publishes them and sends copies to the cantonal governments for circulation among the communes. Thus the people have brought directly to their notice the bills and decrees which are amenable to a referendum. The method of demanding and applying the federal referendum is as follows:

As we have seen, this demand may be preferred by thirty thousand voters or by eight cantons. The latter method is so difficult as to be virtually inoperative. The party or interest opposed to a law and desiring to defeat it on a referendum must within ninety days secure the personal signatures of thirty thousand active citizens. This of course implies organisation and canvas, and every signature must be attested by the communal authorities of the place where the demand is signed, as a guarantee of validity. When the petition is sent in, it is submitted to examination by the Federal Council, which is

empowered to cancel the votes where there is any informality in the declaration or the attestation. If the required number of valid signatures is obtained, the Federal Council organises the popular voting, fixes and announces the day, informs the cantonal Councils and secures the prompt circulation of the law or decree to be voted upon.

The bare text of the law is placed in the hands of every voter with no report of the debates or other explanatory matter.

The voting takes place simultaneously throughout the whole country, and every male citizen over twenty years of age and qualified according to his cantonal law is entitled to vote. The voting paper simply contains the question, "Do you accept the Federal Law relating to (here the general title of the law). 'Yes' or 'No.' " The voter has simply to write his "Yes" or "No."

In order to save time and trouble it is usual for several votes to be taken at the same time and upon the same voting paper.

The following is a copy of a federal referendum taken in 1896, containing as its second item the important law on Railroad Accounts designed to lead up to the nationalisation of the railroad system:

Votation Fédérale

BULLETIN DE VOTE

POUR LA

VOTATION POPULAIRE DU 4 OCTOBRE, 1896

I

Réponse

Acceptez-vous la loi concernant la garantie des défauts dans le commerce des bestiaux? Oui ou non

II

Réponse

Acceptez-vous la loi fédérale sur la comptabilité des chemins de fer? Oui ou non

III

Réponse

Acceptez-vous la loi fédérale sur les peines disciplinaires dans l'armée suisse? Oui ou non

Remarque. — On doit répondre séparément à chaque question.

After the voting each electoral district or commune draws up its report containing four columns, in which are recorded (1) the number of registered voters, (2) the number of actual voters, (3) the number of those voting "Yes," (4) the number of those voting "No." These reports are sent to be examined and corrected by the cantonal government, which forwards them within ten days to the Federal Council, which calculates the general result of the vote. If a majority of the voters has approved the law or order, the Federal Council forthwith puts it into force, inserting it in the official statute book of the Confederation. The results of the voting are in all cases published in the *Feuille Federale*, and the Federal Council reports them to the Chambers at the next session.

The popular control by means of initiative and referendum is distinctly less in legislative than in constitutional amendment.

While a popular initiative exists for all constitutional amendments, there is no popular initiative for legislation.

Whereas in constitutional amendments the referendum is obligatory, in legislation it is optional, and that option can be denied on the arbitrary action of the Assembly to certain orders of enactment.

On the other hand, a legislative referendum depends for its results upon a majority of the voters, whereas a constitutional referendum depends upon a majority of the voters and of the cantons.

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This sketch of the constitutional powers of the sovereign people, exercised either in the popular assemblies of the *Gemeinde*, and the *Landsgemeinde*, or in the wider areas of government through the use of the referendum and the initiative, enables us to form a judgment upon the formal structure of Swiss democracy. We see a people making use of representative institutions for two general purposes: first, to relieve the sovereign people of the labour of those more complex and

detailed governmental functions which involve special knowledge and continuous attention, particularly in the realm of administration; secondly, to assist the sovereign will to inform and express itself by suggesting, formulating, and discussing legislative and administrative changes to be determined by the people. To these more general functions of the representative system should be added the power of safeguarding the welfare of the state by measures of emergency when time and opportunity are not available for consulting the people.

The general determination, alike of the course of policy and of specific acts of government, is retained by the people, to be exercised by popular vote, either in open assembly or through the ballot. It is not a representative system with popular checks, but a system of direct popular government with a representative machinery.

The tendency of recent decades, as we have seen, has favoured an increased rather than a diminished assertion of the popular control alike in the cantons and in the Confederation.

As the necessities or expediencies of modern government have placed more practical power in the hands of the Confederation, the instinct of self-preservation in Swiss democracy has expressed itself in the formal assertion of increased popular control. But it is by no means certain that the real power of government can be considered to be passing more and more into the hands of the people, and that the part played by elected representatives and more or less permanent officials is diminished.

In the structure of federal government we can discern two areas of indetermination in which a struggle may or must continue to be waged between the representative principle expressed in the councils and the direct popular control.

The first is the right of the Assembly, to which allusion has been made, to withdraw from popular reference any measure which it may choose to define as a decree of an urgent or a partial

character, though it may possess all the substance and effect of an ordinary law. The other is the use of the "formulated initiative," by the people to force the Council to submit to a referendum what is in fact a new law, though in form a constitutional amendment.

Although the referendum and the initiative are the principal means by which in the federal and most of the cantonal governments the popular control is exercised, if we would understand the power of Swiss democracy we must take note of other popular rights, and still more important, the absence of checks operative in the United States and other popularly governed nations.

Although the power to "turn down," by means of a referendum, obnoxious measures of the assemblies, affords a general protection against abuse of the legislative councils, short terms of office are the rule. The National Council is elected for three years, and though the determination of the period in the case of members of the State Council, is left to the several cantons, the length of office varies between one and four years, with a growing tendency to settle down at three, chiefly on account of convenience of election.

In a good many of the cantons another check on the representative Assembly is furnished, in the shape of a popular right to force a dissolution. Six of the German cantons empower the people to demand by means of a petition a referendum on the question, "Shall the Great Council be dissolved or not?" This right, however, has been seldom used since the shortening of the duration of office and the growing use of the referendum.

Another mode of forcing a dissolution, alike of the federal and of the Cantonal Council, exists in the power of the people to demand a general revision of the Constitution. If carried, the proposal involves a dissolution of the Grand Council.

The danger attaching to a Senate which, by excessive pressure of state rights, or by the representation of special economic

or social interests, may become "an enemy of the people," is not very great in Switzerland. No such formal powers are entrusted to this second Chamber as in the United States. No special functions, either in foreign or domestic policy, attach to it, and it wields no veto which cannot be overridden by a referendum. Its actual power and reputation are diminishing, not growing, and young Swiss statesmen commonly prefer to enter politics through the National Assembly instead of through the State Council as formerly.

Though the mode of election of State Councillors is left to the cantons, the habit of direct election of these Senators is growing. Ten cantons and six half cantons, one more than half the total number, have adopted this method.

Again, neither the president of the Swiss Confederation nor the president of any Cantonal Council possesses any real power to determine legislation. The federal president is simply the chairman of the Federal Council or executive, elected for a single year. He is the titular head of the state, and has charge of one of the seven departments of government. As a member of the executive he has equal powers with his fellow members in initiating legislation, but as president he has no vote and no veto of any kind. Both constitutionally, and in reality, he is the weakest head of any state.

Finally, although the Swiss Constitution contains a judicial High Court, entitled the Federal Tribunal, which may at first sight seem to correspond to the Supreme Court of the United States, it possesses in reality no political power analogous to that wielded by the Supreme Court in the interpretation of the Constitution. Even regarded as a court of judgment for criminal and civil cases the Swiss Tribunal is far inferior to the American. Not merely are its members elected by the Federal Assembly for a period of six years only, but the Assembly has severely circumscribed its jurisdiction, removing from its purview a large list of subjects relating to the administration of

federal laws, especially those dealing with commerce, education, and finance. Since the bulk of the administration of federal laws is conducted through local courts and officers, with federal supervision, the Federal Tribunal does not serve the purpose of a court of final appeal.

Far more important for our consideration here is the fact that the Federal Tribunal, being bound by the Constitution to administer every act passed by the Federal Assembly or the popular vote, is precluded from declaring any Act to be unconstitutional. The competency of the Assembly and the people to pass and enforce laws is absolute. No law or decree, duly passed by a referendum, can be set aside by the Federal Tribunal on the ground that it transgresses or conflicts with the Federal Constitution, or upon any other ground.

CHAPTER VII

THE NATIONALISATION OF THE RAILROADS

THE largest single achievement of federal democracy in Switzerland is the acquisition of the railroad system of the country for public ownership and operation. Four out of the five great railroads of Switzerland have within the last eight years been acquired by the federal government, and the fifth, the St. Gothard, is destined shortly to undergo the same fate. Though a number of small local lines still remain in private hands their practical control must necessarily pass into the hands of the state which owns the main roads to which they are subsidiary.

This act of policy has a double significance, first as exhibiting the growing tendency towards centralisation, secondly as the greatest of the experiments in state socialism undertaken by the Swiss democracy.

The rival contentions of those who hold on the one hand that the referendum, the initiative, and the unchecked power of the populace to determine concrete acts of policy must place the safety and the well-being of the nation at the mercy of reckless agitators and visionary politicians, on the other hand, that the inherent conservatism of the mass-mind will lead to the rejection or injurious postponement of all important progressive measures, cannot be submitted to any better practical test than is furnished by the history of the nationalisation of the Swiss railroads.

Nowhere is the importance of a well-developed, cheap, and efficient railroad system greater than in Switzerland, which is, by nature, broken into numerous separate cultivated districts,

divided by mountains and lakes and often inaccessible by ordinary roads. In every civilised country to-day the railroads are the effective highways, and it becomes more and more essential to the convenience and safety of the inhabitants that full public control should be exercised over these highways and that private gangs of highwaymen should not hold up travellers and freight by arbitrary imposts.

The reasons why the Swiss people have within the last decade nationalised their railroads are two: first, because all the wastes, inconveniences, and dangers of private enterprise in this branch of transport have been brought home to the minds of the Swiss people with peculiar distinctness; secondly, because they have possessed the necessary political machinery to make the national welfare prevail over vested interests, and the necessary intelligence to work this machinery.

The history of this incident in modern Swiss politics illustrates, indeed illuminates, the structure and working of popular government better than any in our time.

In Switzerland, as indeed in England and elsewhere, when steam locomotion was first recognised as technically and economically feasible, serious consideration was given to the question whether railroads should not be constructed and worked by the state. In 1849, when as yet only a single little railway¹ had been built, a petition in favour of a national railroad system was presented to the Federal Assembly, and a majority of the Assembly voted to instruct the Federal Council to prepare and submit a scheme for a general system of railroads. Swiss and foreign experts were consulted by the Council: some of these favoured state construction, among them the English engineers Stephenson and Swinburne, who drafted a plan of railways extending from Lake Constance to Lake Geneva, with branches; others favoured construction by private companies with state subsidies.

¹ A private company's line from Zurich to Baden opened in 1847.

But though the Federal Council adopted the proposal of state railways, to be constructed partly by the Confederation, partly by the cantons, a proposal accepted by a commission of the National Council, the latter body itself decided against the participation of the federal government. The Railroad Law of 1852 thus excluded all co-operation of the federal government, leaving to the several cantons the right of granting franchises to private companies. The only active power reserved by the Confederation was that of compelling uniformity in the construction of all railroads and of forbidding tariff rates that discriminated against adjoining lines.

Franchises granted by the cantons, however, were subject to approval by the Confederation, the latter stipulating for a right of purchase at the end of the period during which the franchise was operative.

The cantons then took the matter up, granting a large number of concessions to private companies. Most of the capital was found abroad and in the early years French capital was predominant. A great many of the cantons also subsidised, and in some instances constructed and worked railways of their own. Berne, Neuchâtel, Vaud, Zurich, Freiburg, and Graubünden have at various times engaged the public finances heavily in railroad enterprises, Berne in particular becoming the possessor of a large system of minor roads. Of course this cantonal railway policy was in the main confined to small roads within the limits of a single canton, though the subvention of several cantons towards the St. Gothard railway must not be forgotten.

That great confusion and countless conflicts should arise from this condition of affairs was inevitable: cantons and railroad companies were constantly at loggerheads, so that the Confederation was forced to step in; loud complaints were raised about irregularities of tariffs; many companies whose lines had become necessary modes of transport found themselves in financial difficulties and demanded state support.

The growing burden of these complaints became a slow but constant education for the people in the necessity of a unified and publicly owned railroad system. The first man of weight to throw himself into the advocacy of this cause was Stämpfli, the first member of the Radical party to gain entrance to the Federal Council, and thrice president of the Confederation.

His brochure, "The Purchase of the Swiss Railroads," may be said to have brought the issue into the field of practical politics at the beginning of the sixties, fifty years before the policy was consummated. It is worth remarking that Stämpfli put the issue before the people primarily as a business proposition; a calculation of economy and public profit to be obtained by converting company shares into public debentures. Several other schemes for a fusion of the numerous companies with a view to eventual nationalisation were put forward from various quarters, but met at that time with little popular support.

For the popular reluctance there were two chief reasons. The first was the one which induced the Federal Assembly at the outset of the railroad enterprise to refuse all federal co-operation, viz., the jealousy of the cantons and the people of any proposal to increase greatly the power of the federal government. The second was that the terms of purchase fixed in the charters of the railroads were generally considered far too favourable to the companies.

The lack of uniformity and the related conflicts of railroad policy grew so troublesome that in 1872 the Confederation was driven to pass a law which greatly augmented the control of the federal government, conferring upon it that power to grant franchises which had hitherto been left to the cantons, and revising in its favour the terms of purchase contained in the several concessions.

During the seventies no further steps were taken. But in 1883 came the expiration of the period for which certain concessions had been granted, and the Federal Council was forced

to take into consideration the question whether or not it should advise the purchase of these roads.

In its message (March, 1883) to the Assembly, it expressed an adverse judgment, based upon the opinion that "at present the purchase of the railroads could not be undertaken without exposing the Confederation to great financial risks, while it was altogether superfluous to consider other reasons for or against the taking over of the railroads by the Confederation."

While a minority of the National Council favoured the purchase of the "Central" Railroad System, which was financially the most prosperous, and whose charter gave terms of purchase less unfair to the state, the objection of the Federal Council to the purchase proposed was upheld by the State Council, and by a small majority in the National Council. But though this refusal to buy in 1883 meant the postponement of this method of state acquisition until 1898, the idea of nationalisation was already firmly fixed in the minds of democratic statesmen, and other means of preparing and realising the policy were devised.

Two methods of advance occurred to the nationalisers. The first was known as "the system of penetration" by which it was proposed that the government should, by the purchase of stocks, become a shareholder in the chief companies, with the view of gaining eventually such voting control as enabled it to impose a policy of purchase by agreement upon terms more favourable to the state than those contained in the charters.

In pursuance of this project negotiations were entered upon, in 1886, to purchase from the Northeastern a large block of shares on behalf of the Confederation. But the opposition, actuated partly by political, partly by local considerations, was so strong that, though terms of purchase had been virtually fixed, the Federal Council made a pretext to withdraw before the matter came up to the Assembly.

Not disheartened by this failure the Federal Council turned its attention next to the Jura-Simplon Company, just formed,

in 1889, by a fusion of two other companies. Two purchases of shares in this company, approved by the Assembly, placed the Confederation in the position of a holder of 77,080 preferred shares in this great railroad system, and a voting power even larger than the proportion of its holding would imply.

Emboldened by this success the advocates of the penetration policy planned, at the beginning of 1891, the purchase of half of the aggregate shares of the Central Railroad, offered to them by a combination of banks. When a price had been provisionally agreed upon, the managers of the Central Railroad enlarged the scope of the business by offering to dispose of the entire railroad system upon the same terms. The Federal Council then put before the Assembly the alternatives of a purchase of half or of the whole property. After much discussion the Assembly declared in favour of the purchase of the whole.

Then for the first time the people took a hand. The opponents of purchase put in operation the referendum. They included not merely the conservatives, who were hostile to expansion of state enterprise, and the state-rights democrats, who disliked a centralising policy, but large numbers of voters who were favourable to expropriation but objected to pay so high a price. The little social-democratic party, for example, issued a manifesto against purchase, based entirely upon the extravagant terms of the deal.

The demand for a referendum was signed by 91,698 citizens, and when the final vote was taken the project was rejected by a vote of 289,406 against 130,729, out of 653,792 registered voters.

This finished the policy of penetration and threw the state-railroad advocates back upon other methods. Although a project of compulsory purchase upon a fair valuation which should disregard existing franchises was mooted in some quarters, it met with little favour and never had any chance of adoption in a nation so little addicted to revolutionary methods.

It was necessary for the movement to "go slow" in order that some scheme of purchase consistent at once with the financial economy of the state and the recognition of the charter rights of the companies could be contrived.

At no time was there any danger of the referendum being utilised to rush through any reckless policy. For the nationalisation movement did not originate in a popular agitation or even in a great party organisation. As we have already indicated the real initiative for the early proposals came from the statesmen of the Federal Council.

The movers in the nationalisation movement agreed that the loose financial methods of the railroads, enabling them to put excessive values on their properties, constituted the chief obstacle to a sound "deal." And early in 1892, Curti, of the National Council, and Cornaz, of the State Council, carried through the Assembly a motion to the effect "that the Federal Council is requested to institute a general investigation into the railroad question (reform and purchase), and to present at the earliest opportunity a report and a proposal for dealing with the matter in any way which commends itself to them."

Purchase in accordance with the terms of the concessions, equitably interpreted, was henceforth the accepted mode of procedure.

The general terms of the acts granting concessions to the companies stipulated that in case of purchase by the federal government the price paid was to be twenty-five times the average net earnings of the railway during the ten years preceding public notification of intention to purchase, with the additional proviso that the purchase money should in no case be less than the amount of paid-up capital invested in the company.

Now these provisions regarding terms of purchase were rendered nugatory by the methods of bookkeeping adopted by the railroads which gave no clear consistent account either of net profits or of "invested capital." After various prelimi-

nary investigations the Federal Council presented to the Assembly, at the end of 1895, a Railroad Account Bill, the purpose of which was formally described as being "at one and the same time to require of the companies separate statements for each of their lines; to determine, in some manner binding on the companies, the amounts respectively of their net earnings and of their invested capital — two determining features in the event of purchase; and to compel railroad companies, without waiting for the expiration of the period fixed in the franchises, to justify their statements of annual net earnings and of invested capital." The same law conferred upon the federal courts the ultimate right of determining cases of disagreement as to terms of purchase which, according to former franchises, had been relegated to special courts of arbitration.

The law of 1896 was not, as its enemies represented it, a scheme for enabling the state to evade the pecuniary obligations previously sanctioned as the terms of the purchase. What it secured was a distinct definition of what were to be considered the "first costs," following the decision of the courts and the ruling of the administration since 1883. Under the law of 1896, only the expenses properly belonging to the actual railroad could be included under first costs. No expenditure which did not correspond to a tangible asset was included, no watered stock or costs of "fondation." Proper provision must be made for writing off the value of obsolete or wornout capital, and a sufficient depreciation fund must be maintained as a current expense. In a word, what the law did was to enforce a scientific system of bookkeeping which was in reality as much to the advantage of the shareholders as of the state.

The discussions upon this law may be regarded as bringing the policy of nationalisation of the railroads, for the first time, on to the open stage of immediate politics. Not only was it fiercely fought in the Assembly by the interests which deemed themselves assailed, and by certain legal precisians who con-

tended that the state ought not to modify to its own advantage terms of agreement which it had formally endorsed, but a widespread canvass of voters and an educational propaganda was set on foot throughout the country. About 1893 a popular organisation was established for the nationalisation of the railroads in which Schär, a radical schoolmaster at Bâle, was a moving spirit. A number of private conferences were held in different cities, in which the relation of the railway to the state, the financial condition of the roads and the conditions of purchase, were thoroughly discussed by the leaders of the movement. These men, returning to their different localities, organised local education by means of the newspapers, public meetings and private conversation.

The labour was immense, for detailed examination of the separate finances of each railroad was essential to the issue, which was one of the terms of purchase and of profitable working.

The Socialist party of Switzerland, working independently of the official leaders in the Assembly, had, by 1896, so far ripened the issue in the country as to secure the requisite signature to a petition for a referendum on the question of nationalisation by immediate expropriation.

This movement, however, was stopped by the appearance of a message of the Federal Council, March, 1897, advocating the purchase of the railways on the basis furnished by the new law of railroad accounts.

This important document contains the bill which forms the legal basis of the acquisition of the chief railroads by the state.

After a careful historical introduction it sets forth the political and economic case for the nationalisation of the five principal railroad systems, the Jura-Simplon, Central, North-eastern, Union-Swiss, and the St. Gothard. The cost of purchase was estimated at a sum of Fr. 964,384,769 (\$192,876,954), a sum which raised on loan at three or even three and three-

quarters per cent would, after due allowance for a sinking fund, leave a substantial net profit to the state.

These five railways comprised a length of 2578 k. m. of lines, more than four fifths of the entire railways in the country. On the terms of the concession the purchase of four of the roads would take place in 1903, the completion of the St. Gothard purchase being postponed to 1909.

The funds for the public purchase were to be obtained by the sale of securities or annuities, to be cancelled at the end of sixty years in accordance with a carefully constructed sinking fund.

An elaborate scheme for the administration of the railroads was laid down. A special federal office was created, the detached administration being entrusted to a Council of fifty-five appointed for a term of three years, twenty-five by the federal government, twenty-five by the cantons, and five by the local boards of directors, who, situated at Bâle, Lausanne, Zurich, Lucerne, and Berne, took charge of the local management of the roads.

The legislative and constructive policy, together with the general financial control of the railroads, was delegated to the Federal Assembly, the Federal Council being responsible for examining the annual budget and for submitting to the Assembly reports on the condition of the railroads and proposals for enlargements and improvements.

In the final draft of the law it was provided that all schemes for the further acquisition of existing roads or for construction of new roads must be submitted to the referendum.

Careful conditions were laid down for the financial independence of the railroads. The net earnings were to be allocated in the first instance to the payment of interest and the reduction of the railroad debt. Any surplus was to be set to the credit of the railroad account and to be utilised for a reduction of transportation rates.

In considering the fate of this measure it is of prime importance to recognise that it proposed to secure for the state what

was *prima facie* a very advantageous bargain. The estimates of purchase made by the Federal Council in its message were as follows:

	FRANCS	DOLLARS ¹
Jura-Simplon	288,154,203	\$ 57,638,840
North Eastern	244,434,347	48,886,869
Central	177,357,946	35,471,589
Union Swiss	81,858,654	16,371,731
Gothard	172,371,182	34,474,236
Wohlen Bremgarten	208,446	41,689
(Small branch of Central)		
Total	Fr. 964,384,778	\$ 192,876,965

The following table, based on quotations of the Swiss Money Market, before the promulgation of the Message of 1897, presents a comparison which shows that the valuation of the Federal Council was in most instances far below the then market price of the stock:

	PURCHASE VALUATION Francs	PAR VALUE Francs	MARKET VALUE Francs
Jura-Simplon			
Preferred Stock	500	500	555
Ordinary	120	200	190
North Eastern			
Ordinary	338	500	665
Central			
Ordinary	543	500	705
Union Swiss			
Preferred Stock	500	500	
Ordinary	315	500	475
Gothard	620	500	82

¹ Fractions of dollars have been omitted.

During the period of discussion by the Assembly and in the interval before the matter was submitted to the referendum, a fierce debate was waged between the advocates and the opponents of this measure. Those interested in the private systems represented the proposal as a sheer act of robbery, while the Federal Council sustained its case by adducing elaborate reports of experts.

It was not, however, a party issue, for, though originating in radical quarters, the proposal secured the adhesion not only of powerful Conservative Catholic Members, like Zemp, but of a large number of Conservatives throughout the country, especially of those who feared and disliked the control of the railroads by foreign and predominantly Jewish capitalists. An active pamphleteering campaign was undertaken on both sides, and the process of educating the electorate by public meetings was carried further than ever before. The opposition was the more active in printed propaganda, the railroad people using their power freely for the circulation of pamphlets, etc. There is, however, no evidence that the railroads adopted any form of political corruption either with the legislature or the electorate, or even that they brought intimidation to bear upon those of their employees who took sides with the nationalisation party.

The discussion was in the main of a severely practical form, turning upon the terms of purchase, the possibilities of rate reductions and improvements of service under the new regime and the making of new roads. The question of remuneration and other conditions of employment of railroad workers and officials also formed an appreciable factor in the discussions. But the whole question was made to hinge upon finance, the railroads contending that if a fair price was paid to them the state could not conduct the railroad business so as to fulfil the pledges of extension of lines, improvement of services, and lowering of rates, which were their chief baits to the electorate. The business leader of the opposition, the railroad magnate,

Guyer-Zeller, also promised the people that if they would leave the roads in his hands he would build the subsidiary roads which the Confederation would not have the money to build.

As for the argument about control of foreign capitalists, he pointed out that the new railroad bonds to be issued by the state in order to secure the purchase money would also pass into foreign hands, and it was more dangerous for foreigners to control the public funds than the stocks of private companies. But it soon became evident that the mind of the people, as of the Assembly, was made up in favour of nationalisation. "That apple was ripe." In the National Council the bill was adopted by a vote of 98 to 29, and in the State Council by the smaller but still substantial majority of 25 to 17.

The supporters comprised the entire body of the Radicals, and the Socialists, a section of the Liberal centre and a few members of the Catholic and Conservative right; the opponents consisted of the main body of the Catholics and Federalists and the larger part of the Liberal centre.

This division fairly represented the state of public opinion which was soon to be expressed in the referendum, accepting the Nationalisation Law.

As M. Zemp was able to carry a certain number of Catholic Conservatives with him in support of the measure, so the strong opposition of one important Radical, M. Numa Droz, ex-president of the Confederation, detached some radicals.

But the Radical party as an organisation was pretty unanimous in support of the measure, while the Socialist caucus, though objecting to the extreme centralisation of the administrative policy, pledged itself in favour of the measure.

The opposition of the Catholic Swiss Federalists and the Liberal Conservatives was overborne at the polls, and the referendum gave the imposing vote of 386,634 "Ayes" as against 182,718 "Noes."

But no sooner had the sovereign people committed itself

to this scheme of nationalisation than the scheme itself began to shift shape. The railroad companies began a series of suits in the Federal Courts in order to obtain judicial decisions upon their rights under their franchises. The Central Railroad and the Northeastern were most active in this litigation, and the judgments of the court went sometimes for them, sometimes against, on the main issue of the mode of estimating the cost of purchase. It soon became manifest that an almost endless series of processes could be entered, the issue of which was quite incalculable; the shareholders had no security as to the value of their shares, while the government could make no effective plan for dealing with a financial situation which it was impossible to forecast.

The government, moreover, found themselves further embarrassed by the question of the debentures of the railroads, having no assurance as to whether they could simply assume the obligations from the companies or whether they must find the cash to pay off the debenture-holders.

These considerations, together with the disturbance to business, caused by the protracted method of acquisition, induced the government to seek to substitute purchase by agreement for compulsory purchase under the terms of the concessions.

Their first negotiations were with the Central Railroad, and in December, 1900, they came finally to an agreement of purchase on the basis that the government should pay for each share and debenture a four per cent certificate, carrying an interest of thirty francs, government reserving the right at any time to pay off the holder on six months' notice. The government was also to take over all outstanding obligations of the company and to continue in their employ all former officials of the company with the exception of the directors. On these terms the Central became a national railway.

A little gentle compulsion was applied to the Northeastern in order to induce it to consent to a similar "voluntary nego-

tiation." The Railroad law, having in mind the case of the Northeastern with a number of subsidiary lines which were less profitable than the main lines, contained a provision enabling the government to confine its purchase by concessions to the main lines, leaving the others under the company, unless the latter could be bought upon reasonable terms. In the cases brought before the Federal Court it was evident that no agreement could be reached as to the separate valuation of these subsidiary lines and, if the government refused to buy them, the Northeastern system would be broken into two, the one part passing to the government, the other, a number of now disjointed fragments, remaining with the company. Such an eventuality suited neither the interests of the shareholders nor the convenience of the public, and at the end of 1900 terms of purchase were arranged on a valuation basis of 253,000,000 francs (\$50,600,000), the Northeastern 500-franc shares being paid by federal certificates at par bearing three and one-half per cent interest.

As far back as 1896 an agreement had been made between the federal government and the Union Swiss Railroad, by which all the lines controlled by the latter should be treated as a single property in case of purchase. This purchase was now negotiated upon a basis of capitalising the net profit, and after various deductions the price was brought down to a sum of 40,000,000 francs (\$8,000,000), of which 18 millions were paid in cash and 22 millions in three-per-cent certificates at ninety-nine. This purchase was consummated early in 1902, though the state administration did not take place until the beginning of 1903. There remained the Jura-Simplon and the St. Gothard. The former was purchased in May, 1903, for the sum of 104,000,000 francs (\$20,800,000), a considerable advance upon the sum 81,500,000 francs (\$16,300,000), at which it had been valued in 1896. The St. Gothard still remains to be acquired.

On no point connected with the Swiss nationalisation scheme has graver misapprehension existed than with reference to the enhancement of the terms of purchase. Hostile critics often represent the people as having been deliberately duped by being told that they could get the railways for a certain sum, where as afterwards thirty to thirty-five per cent was added to this price.

In the debates upon the nationalisation of French railways at the beginning of 1904, we find M. Rouvier making great capital out of the charge that whereas it had been estimated that the prices of the Swiss railways would be 220 millions (\$44,000,000), they had been obliged to pay 301 millions (\$60,200,000), an additional charge of 81 millions or thirty-five per cent.

In fact the charge is baseless. In the first place, the total expense estimated as the cost of the railroads amounted to 790 millions (\$158,000,000), and the actual excess, the 81 millions (\$20,200,000), amounts only to about ten per cent, a very ordinary increase of price upon the estimate in any large and delicate negotiation.

The explanation of the actual increase of price is simple enough. The article bought had risen in value between the time when the estimate was made and the time when the sale actually took place. The valuations made in 1897 were naturally based upon the operation of the roads during the last ten years, the statistics of which were available, viz., 1886-1895. But it happened that 1896 was a year of great commercial activity which exhibited itself in a more profitable working of the roads and a corresponding rise in capital values.

This was the chief reason why more was paid than had been estimated. There was, however, the further reason that the state wished to enter in possession of the roads at an earlier date than that on which the concessions of four of the roads fell in, viz., 1903. Some of the additional price must be accredited as compensation for the earlier ejection.

The Federal Council, in fine, reckoned that since 1895 the companies had become more valuable properties and therefore agreed to pay an enhanced price. There was nothing mysterious about this and nothing detrimental to the public interest.

While some of the enemies of nationalisation fastened their attention on the charge that the state had paid an excessive price for the railroads, others pointed to the fall-off in receipts, which immediately followed the acquisition of the Grand Central and Northeastern, as proof of the incompetency of state management.

The working of the first year, 1901, during which the state had possession of the two roads, showed a considerable drop in the net receipts of each. This fact was bruited far and wide as an argument for private railroads, and was utilised with great effrontery in France when the nationalisation issue was in the front of practical politics. Unfortunately for the anti-nationalisers there is no substance in the argument. For in the first place, though the nation owned these roads in 1901, their administration remained with the companies until 1902. Secondly, the year 1901 was one of deep depression, as attested by the condition of the other Swiss railroads, the St. Gothard and the Jura Simplon, whose diminution of receipts was quite as large, though they still remained under private ownership.

Our sketch of the history of railroad nationalisation in Switzerland brings out quite clearly certain characteristics of Swiss democracy. In the first place it is evident that their working politics are eminently practical. Theory and sentiment plays some part in Switzerland as in other countries. There were those who held from early days the general principle which the National Commission of 1852 printed in italics in their report, "The railroads of Switzerland ought to be federal work." Both in the Assembly and among the educated people of the country there were some who favoured or

disfavoured state railways because they held some general views on the limits of public and private enterprise.

A much larger number were moved by sentiments regarding federal unity and cantonal rights. Party traditions and race feelings also played some part in the episode. But in reflecting upon the vote of the people given against purchase in 1891, and by a still stronger majority for purchase in 1897, we recognise that the dominating motives were business ones. Like other folk the Swiss as a body dislike bureaucracy and have no general desire to increase state functions and to multiply officials; accustomed to do many different sorts of things by public co-operation, they exhibit, other things equal, a decided preference for cantonal action which is more susceptible of direct popular control. But several decades of experience of private enterprise in railroads, working not in unison but either in indifference to one another or in conflict, and actuated not by direct regard for the convenience of the traveller and the shipper, but by considerations of private profits for foreign shareholders, formed a slow but certain education in nationalisation. The nature of their country precluded effective competition, throwing most districts to the mercy of a single autocratic company; much of the proper work of railroad enterprise lay in the development of country through which lines could not be made with any prospect of early profits, lines which therefore no private company could be expected to make unless possessed of large capital and willingness to wait results. The regulation and systematisation of rates through loose federal legislation was proved to be impracticable. Friction with railroad employees, due to bad conditions of labour, and culminating in a great strike attended by grave public inconvenience, which occurred in the very height of the controversy, brought home another evil of the private highroad system and rallied a strong "labour" support for the nationalisation movement.

It is often said, and truly, that the people rejected the beginnings of nationalisation in 1891 because they were asked to pay too dear, and accepted six years later because they thought they were getting a good bargain. This, however, does not signify, as is sometimes argued, that the people approved a policy of forced appropriation on terms of practical confiscation. Their position was one of wise opportunism. The pure theory of state ownership meant little or nothing to them. The practical issue was this: "Can we secure our railroads on terms which are not extravagant and which will enable us to give cheap and efficient service and good terms of employment, and to promote further development of transport with a view not to the immediate net profits of each new enterprise but to the general welfare of the country?"

The opponents of nationalisation lost no time in asserting that the policy had proved to be a blunder. One of their representatives, M. Repond, thus summarises his reading of the situation in 1901:

"All the apprehensions of opponents of the purchase of the railroads have been justified by the event. The railroads have cost more than the message said they would, there has not been the progressive increase in receipts on which the purchase was estimated; there is now a backward movement and the prospect of deficit. The men are demanding and getting terms which the government cannot refuse, and exist as a democracy asking popular favours which the companies would have been able to refuse because they would have been justified in putting their self-interest against the self-interest of the men."

But this criticism is not supported by a fair consideration of the actual history of the railroads since they passed under federal management. The last four years have shown a very substantial advance in the amount of business done in the transport both of persons and of freight and in the money receipts for the same. The statistics here subjoined ¹ indicate a very

1 RAILWAY ACCOUNTS

	1902	1903	1904	1905
Length of roads (kilos).....	1,476	2,433	2,438	2,441
Number of passengers	454,039	431,003	461,829	523,451
Number of tons freight.....	289,865	272,446	286,476	301,666
Receipts per kilo (francs).....	45,188	43,590	44,777	47,097
Train — kilos	13,783,777	22,803,501	24,192,237	25,286,467
Car — kilos	378,193,261	638,778,302	676,924,183	716,507,194
Person — kilos	670,161,937	1,045,631,282	1,125,938,965	1,277,744,561
Ton — kilos	427,841,456	662,861,817	698,428,595	736,365,787
Receipts	70,909,216	111,162,317	114,631,785	120,677,369
Traffic expenditure	43,243,716	72,843,405	77,587,053	80,156,945
Profit and loss account —				
Profit	37,825,963	53,848,728	53,667,661	55,545,363
Expenditure	33,403,543	52,818,046	53,606,906	54,893,629
Surplus	4,422,420	1,030,682	60,735	651,734

1 Statistische Tabellen, 1906, p. 121.

great increase of business during the years 1903-1905, in which the state has enjoyed full control over the four chief roads. The full economy of the nationalisation will not, of course, be capable of realisation until after the St. Gothard has been taken over and the entire group of main roads can be worked as a single system.

"But," say the hostile critics of nationalisation, "if the receipts are rising, the expenditure is rising even faster; the experiment is a failure because it does not exhibit any appreciable surplus, any net profit for the government." This criticism appears to be endorsed by the statistics of expenditure; the net surplus is a trifling sum and is less than it was during the earlier years of the experiment.

But to apply to a public enterprise the same narrow business tests as are applicable to a private company involves a complete misunderstanding of the issue. A private business is intended to make net profit for the shareholders, and its success is naturally tested by its success in doing this. A public business, however, is not intended primarily to earn profits but to serve the public in every way it can. Now there is no particular presumption that a public railroad is serving the public by charging such high rates for the service it renders, or by paying such low wages to its employees, as will enable it to show a large surplus in its balance sheet.

The first duty of a public railroad is obviously to give to the travelling or carrying public as cheap, safe, and effective a service as it can. Its second duty is to serve as a model employer, securing to its employees such wages, hours, and other conditions of employment as contribute to a healthy and progressive standard of living. A private business may make net profits by charging high rates and by sweating its employees; an enlightened government will recognise the folly of inflicting these injuries upon the public. Moreover, there are other differences in the public and the private business point of view which affect

materially the balance-sheet. A state railroad may and does develop and maintain roads which do not, and perhaps cannot, pay their way, because they are a public convenience, subsidising this portion of the system out of the paying portion, or even meeting the deficit by public taxation.

All these influences have been operative to some extent in the national management of the Swiss railroads. There have been considerable reductions effected in fares and in freight rates, and improved facilities have been afforded by an increase in the number of trains, and increased speed and other conveniences of transport.

"Thanks to these reductions," writes Professor E. Milhaud.¹ "the passenger traffic in 1904 showed a considerable development. The number of passengers increased about six millions, that is to say twelve per cent, an increase so considerable that in spite of the very sensible reduction in price of tickets the receipts were largely increased, growing from 43,909,319 francs in 1903 to 45,427,823 francs in 1904. The administration did not hope that this progress would continue in 1905, and in its budget estimated an increase of only 1,150,000 francs, that is to say, of two and a half per cent. However, the communication just made to the press informs us that the receipts are 48,100,000 francs an increase of 2,700,000 francs that is, five and nine tenths per cent upon 1904. There have been 4,586,000 passengers more than in 1901. In two years the number of passengers has increased from 48 millions to 59 millions."

At first some dissatisfaction was felt among railway employees at the slowness of the government to fulfil their promises of improved wages and conditions of employment. The unforeseen expenditure, connected with the taking over of the roads at a time when depressed trade was keeping down the railroad receipts, not only in Switzerland, but in most European coun-

¹ *Le Courrier Européen*, November 2, 1906.

tries, obliged the government to go slow. But the new scale of wages, supplementary payments, and pensions, introduced in 1903, has gone a good way to improve the pecuniary conditions of employment, while the new labour law, reducing the hours of labour from twelve to eleven, securing fifty-two days' rest in the year, eight days continuous holiday, and a further increase after some years' service, certainly places the railway employees in a "most favoured trades' position, as regards hours and holidays."

Finally, the invalidity of the demand that the working of the national railroads shall show a profit is evidenced by the very conditions laid down in the Nationalisation Law, which definitely precluded the placing of any profit from the railroads in the national treasury and required that any surplus must be devoted to the improvement of the services.

The fears lest the undertaking of what seemed to many conservatives a hazardous speculation for a government should embarrass the general finances of the nation were allayed by the provision requiring that the railway budget should be kept quite separate from the ordinary federal budget.

The state railroads were to become a financially self-supporting system, not a source of profit for the public exchequer.

Each year bears stronger testimony to the success of the experiment. Not only do the state railroads pay their way with a cheaper and more efficient freight and passenger service, and higher wages with shorter hours for the workers, but adequate provision is made for a sinking fund, furnished from the current profits, which will, in the course of fifty-six years, wipe out the thousand million fund raised to buy out the companies, and will leave the nation in full free possession of its system of highroads.

Though it is too early to pronounce a final judgment on the Swiss experiment, seeing that the public management of the largest of the four roads, the Simplon, only began in May, 1903, while the most important link still remains to be acquired in

1909, when the St. Gothard passes to the state, the prospect appears distinctly favourable.

While it will obviously take some years before the full economic conveniences of the unification of the system are reaped, there is a general agreement, even among those who object to what they consider the "pauperising" of the employees, that the management is both honest and intelligent. Nowhere is any desire manifested to go back to the old system of competing roads.

While the nationalisation of the Swiss railroads, regarded as a crucial instance of democratic constructive policy, exhibits the people as moving slowly along a carefully explored path of business enterprise and actuated principally by concrete considerations of material gains, it would not be right to interpret their conduct as governed entirely by such *ad hoc* opportunism. Regarded as a step in the evolution of Swiss democracy, it requires a wider interpretation. Every thoughtful Swiss would agree that railroad nationalisation was an inevitable, a natural fruit of the spirit of a democracy which insisted upon the popular management of those affairs which are of prime importance to the safety and well-being of the Commonwealth. It was not really the calculation of lower rates, better management, and improved facilities of transport that explains why the Swiss have undertaken the management of their highroads, though this calculation may figure as the direct efficient cause. The public ownership and working of the effective highroads of a nation are in point of fact an essential of the economic and the political liberty of every modern nation. In the long run, no people can afford to leave in the control of private profit-seeking companies that mobility which plays an ever larger part in the freedom of civilised men. To allow a private association of business men to determine whether, when, how, and upon what pecuniary and other conditions, persons, goods, and news shall be conveyed from one place to another, is seen to involve a real infringement upon the liberties of the individual.

Now, in a country where the citizens remain "subjects," it is possible that this denial of effective personal liberty may continue long. But where the people is sovereign, they are bound to assert their sovereignty in the overthrow of such a tyranny. The railroad industry is one in which the maintenance of full, free, continuous, and effective competition is impossible, and, in so far as it is practised, it involves grave waste, injury, and insecurity to the travelling and shipping public.

Hence, whether on the ground of tyrannous monopoly or of injurious competition, the resumption by the public of the public highways is an inevitable incident in the development of democratic policy.

Though certain Swiss statesmen fully realised the wider bearing of the movement, it wrought in the main subconsciously. But in our interpretation of Swiss democracy, we must take due account of subconscious as well as of conscious motives. It is therefore right to recognise, behind and co-operating with the business opportunism which figures so prominently in the policy of nationalisation, the drive of deeper democratic forces. The achievement, indeed, has already altered the mental attitude of the ordinary citizen in regarding the process. Few even among those who committed themselves ten years ago with reluctance and distrust to this new large programme of state work would now go back on it, even though the business prospect was more dubious than appears to be the case. "No!" they would say, "this is state business, and if the government has not yet discovered how to do its business properly it must learn, and we must put up with its mistakes while it is doing so."

Such is the just attitude of a people, not plunging into large public experiments, as the result of sudden revolutionary agitation, but inured to the practice of self-government and assuming willingly, but not eagerly, new public functions imposed upon them by the changing conditions of modern life.

CHAPTER VIII

THE NATIONALISATION OF THE ALCOHOL TRADE

A TEST issue of democracy is the public treatment of the drink traffic. During the last generation Switzerland has grappled with this issue more resolutely than any other state. She has learned the lesson which other nations are now beginning seriously to ponder, that unless the state controls the liquor trade, the liquor trade will control the state. For the economics of the drink trade place it in a unique position. Engaged in supplying one of the most exigent and wide-spread tastes of the masses of the people, it has come under the conditions of *la grande industrie*, with peculiar advantages for the establishment of a monopoly and the earning of abnormally high profits. For while the more economical production and distribution of alcoholic liquors, especially of beer and spirits, involves a great outlay of capital and a large organisation of business, the restrictions put almost everywhere upon the retail sale of liquors enables prices to consumers to be maintained at a higher level than free competition would assign. Hence the tendency in most countries for the brewing and distilling trades to pass into the hands of a few great companies restricting competition and imposing prices on the retail trade, and through the retail trade upon consumers, which yield enormous profits on their business capital. Everywhere these profits serve, not merely to sustain a group of plutocrats, but to influence and, where necessary, to corrupt legislation and the administration of laws concerned with the regulation of the trade and the maintenance of public order. Drunkenness and the various

vices fed by the abuse of alcohol are everywhere treated more or less as protégées of the liquor trade, whose economic and political influence is always cast against the rigorous enforcement of laws directed against them.

Switzerland was no exception to this rule: the drink habit held great and growing sway among various classes of the population, and in particular the increased sale of spirits had become a grave menace to public health and order. A powerful interest had grown up, consisting of distilleries which were getting an ever stronger hold upon the purses of the workmen in the industrial towns. The special drink problem, however, in Switzerland has not been so much any growth in drunkenness as in the wider spread of the use of alcohol, especially of cheap spirits, among all classes of the working population. Formerly, when agriculture was the main occupation of the country and there was little trade, milk and café au lait were the almost universal drinks. But when in recent years larger and larger numbers had gone into town industries, while cattle was kept more and more for the export trade in cheese and other dairy produce, milk became relatively scarce, and the entire standard of food changed, leading to a great increase in the consumption of spirits.

This habit spread the more quickly because, though every canton has full control over retail licenses, two thirds of them exhibited no disposition to restrict the number of taverns, and the right to sell liquor was usually granted to any one who submitted to certain formalities and paid a low customary fee. Though such licenses were nominally granted for a year, the habit of renewal became absolute, except when definite charges of contravention of the law were proved against the saloon-keeper.

A preliminary note underlying the Swiss treatment of the drink question is the clear distinction made between spirits and the milder forms of alcoholic liquors. They have begun

with the hypothesis that the use of alcoholic drink in some form cannot or ought not be stamped out by law, and that the policy of government should be directed to discriminating against the more noxious kinds.

In order to control in the public interest the trade in spirits the Swiss people have decided that the state must own it.

The idea of the public monopoly of spirituous liquors had been simmering for some time in the minds of radical reformers and philanthropists. A definite proposal to this end was set before the International Congress of Hygiene and Demography held at Geneva in 1882, while the reform held a place in the Workman's Programme which Federal Councillor Schenk in the same year placed before the Congress of Swiss Communal Unions.

Official opinion, however, at that time was by no means ripe for a definite acceptance of this method of attacking the question. The draft proposal of the Federal Council, opening the issue in 1884, was unwilling to commit the Council to favouring such a scheme. It put forward three alternatives, "either free competition among all the spirit manufacturers with taxation in proportion to their respective outputs, or the granting of concessions to a limited number of manufacturers, or finally a federal monopoly, excluding all competition, thus securing the possibility of placing a limitation upon domestic consumption." "We regard this question, at present, as an open one."

The situation was not an easy one for the federal government. It had not a free hand. The Constitution of 1848 assigned to the cantons the right to levy import duties at their borders as well as the general regulation of their liquor traffic, and although the revision of 1874 had put an end to these cantonal duties after the year 1890, any immediate measure of reform must take them into account.

The Federal Message of 1884 was not an extreme temperance pronouncement. Its main object was to devise means of check-

ing the growth of the consumption of spirits, which, being cheaper than wine, beer, or cider, had made great encroachments in the standard of consumption both of the peasants and the town labourers. These spirits were partly imported from abroad, partly they were of home manufacture from materials (potatoes, grain, etc.) largely imported. No effective handling of the situation by co-operation of the cantons was feasible: if the issue was to be dealt with effectively, both import duties and excise must be vested in the federal government together with the equally important control over the sale of this liquor within the federal limits.

The substance of the proposal was a raising of the import duty upon brandy, attended by a corresponding rise of excise upon Swiss spirits, and accompanied by a lowering of duties upon the relatively innocuous wines, beers, and cider, imported or domestic. The message concluded with the proposal of a new article to be embodied in the Constitution, giving the Confederation the right to legislate upon the distilling industry and upon the sale of its product, both foreign and domestic, and abolishing the rights at present exercised over these matters by the cantons.

The taxes to be levied by the Confederation upon imported and domestic spirits were, however, not to be retained by the federal revenue, but to be divided among the cantons in proportion to their population.

Thus a proposal to increase the federal power was baited with a provision securing positive financial gains to the cantons, which were to receive their share of the intended rise of taxes upon alcohol, while effecting considerable saving in the expenses of administering the cantonal octroi.

This federal amendment of the Constitution was accepted by the people in 1885. Then ensued a great struggle of views and interests, industrial, financial, and moral. The definite proposal of a federal monopoly was formulated by M. Milliet,

at that time employed in the bureau of statistics, and a commission of the Federal Council, appointed to report upon the whole matter, pronounced in favour of his scheme. The Council approved a law based upon this report. Then 50,000 voters demanded a referendum on the law, which was, however, approved by a very large majority, 267,122 voting for it, 138,496 against, on a poll of 62½%. Milliet as author of the law was made head of the alcohol bureau.

Regarded both from the distinctively political standpoint and as a social experiment this federal monopoly is extremely interesting.

Its main provisions are these: The law assigns to the federal government the sole right to manufacture distilled liquor and to distribute it in bulk. The government need not, however, undertake the manufacture itself, but may contract for the supply from foreign or domestic distilleries, with the proviso that not less than one fourth of the supply is of domestic production. "Distillation from certain native fruits and roots is exempted from the operation of the law and is free to any one."

In the actual administration of this law the government licenses a number of distilleries for domestic production, importing the rest of the spirit directly from abroad. These home tenders are distributed among about seventy distilleries, the amounts allotted to each varying from about 150 to 1000 hectolitres. In the apportionment of tenders, distilleries worked on a co-operative basis are supposed to have a preference. No other distilleries are permitted to exist.

One of the necessary implications of the state monopoly was the closing of a large number of small distilleries. It was made a condition of continuation in the trade that a distillery should have a producing capacity of not less than 150 hectolitres a year: those below this limit were closed, their owners receiving compensation. About 1200 establishments were closed at a

cost of 3,655,095 francs (\$731,019). This sum seems ridiculously small for such a purpose, to those who are accustomed to the scale of ransom usually extorted from other states by "vested interests" called upon to make sacrifices to the public welfare. But the Swiss sovereign, as we have seen in the treatment of the railroads, is not a sentimentalist. His judgment was to the effect that the owners of the distilleries who put their money into the business took all reasonable risks in doing so, and that among these risks was the probability of new public restrictions on the drink traffic.

The amount of compensation was measured on this basis. The sum paid to a distiller was calculated to amount to the depreciation his buildings, machinery, and other plant suffered by its being no longer available for distilling. For good-will or future profits he received nothing.

The distilleries whose continuance was needed for domestic production were not taken over by the Government. They were left in the possession of their owners, but were placed under the closest system of supervision regarding the amount of their output, the materials they employ and their methods of accounts. The government, for instance, fixes the price which the distilleries shall pay for potatoes at 4-50 francs per 100 kilos. If the distiller can buy them for less, that is his profit; if he has to pay more the government reimburses him one half of the excess. The distilleries are supposed to make no profit on the process of distillation. The government pays them cost price only for what they produce; the only profit allowed them is in their by-products in residuary liquors and stuffs for the feed of cattle. Government even takes cognizance of the ill treatment of employees, although this is not, strictly speaking, required by law. In one case, where a distiller had cut wages down too far, the department said to him, "If you do not treat your men better, when we give out our licenses or authorisations next year you will not be among the number."

The process of rectification of the liquor is in the hands of government. The wholesale distribution is done by the government through three public depots, all sales of 150 litres or more being conducted by their agents. The retail trade is left in the hands of private sellers, and is subject as before to cantonal regulation. The foreign spirit is bought by the government directly from dealers: the director, M. Milliet, lets the merchants in Hamburg or elsewhere know how much he wants and they tender. The article being one of ascertainable value and open to daily quotations, the government are able to make their bargains without difficulty.

Where spirit is required for use in the technical arts it is sold at cost price (inclusive of duty where imported), and is not subject to the addition (*Monopolzuschlag*) by which government makes its profit out of the sales for drinking.

The price at which the rectified spirit is sold by government is fixed by law within a maximum and minimum limit. At the beginning the price was kept low in order to prevent the dealers who had amassed large stocks in anticipation of restrictive legislation from securing the huge profits at which they had aimed. But in 1888 it fixed a higher price, which remained firm until 1900, when an alteration in the law required another change of price. The price, though it had been kept high enough to yield a large profit for distribution amongst the cantons, is in itself low. The chief reason for this is the necessity for gradually weaning the people from the spirit habit. What the government does is to sell good spirits at a moderate price, at the same time encouraging the preferential use of wine and beer by a very low tariff on the latter drinks.

In conversation with M. Milliet I probed him closely as to the success of his state monopoly. "It depends upon what is meant by success," was his reply. "So far as the sale of spirits is concerned it has been distinctly successful; we have put down the numerous small distilleries which sold bad, cheap

spirits among the peasants; the quality of the spirits sold is better, for the retailer seldom adulterates except with water; and the total quantity sold has declined by forty per cent since the establishment of the monopoly.

“But from the standpoint of the more rigorous temperance folk it is a failure. For the declining use of spirits has been more than compensated by a growth in the consumption of wine, beer, and cider, so that in actual alcohol the amount per head of the population is larger than before.”

M. Milliet was not enthusiastic about the result, but as a practical politician and reformer he considers that the policy adopted was a sound one. The public opinion against spirits was not strong enough for drastic methods; it was necessary to fortify moral sentiment by appeals to the business interests of an intensely practical people. Wine, beer, and cider are important Swiss industries, and the remission of taxation secured for these liquors at the passing of the law was probably essential to obtain its acceptance. Moreover, cantonal government means more to the ordinary Swiss than federal government, and the regulation which divides the profits of the federal spirit monopoly among the cantons in proportion to their population helps much to conciliate the body of citizens.

Each year a sum between five and seven million francs is divided among the cantons, with the express provision that one tenth of it shall be devoted to “combating alcoholism.” This provision sounds very interesting, seeming to present the possibility of a vigorous educational policy against the use of alcohol. But an investigation into the interpretation set by the cantons upon “combating alcoholism” shows that the great bulk of the money is expended upon charitable works which are at best indirectly related to the drink question. The following table of expenditure by canton Zurich for 1905 may serve as an illustration:

1. For drink hospitals, or the conveyance of patients to them	Fr. 10,460.00	\$ 2,092.00
2. For forced-labour homes or houses of correction, or for conveyance to same	4,336.60	867.20
3. For insane asylums, or care of insane	8,802.00	1,760.40
4. For care of sick in general	1,414.00	282.20
5. For care of weak-minded or unprotected children or juvenile criminals	10,908.00	2,180.60
6. For feeding, etc., of school-children and for holiday-camps	15,367.00	3,073.40
7. For epileptic, deaf and dumb and blind hospitals, or for conveyance to same....	8,702.40	1,740.40
8. For improvement of people's food in general	6,772.00	1,354.40
9. For care of poor wayfarers	9,000.00	1,800.00
10. For assistance to released prisoners or unemployed.....	3,319.00	663.80
Total	Fr. 79,081.00	\$ 15,816.20

On the most liberal computation it cannot be allowed that more than about one quarter of this money is expended on "combating alcohol," though no doubt a defence can be made for regarding some of the other objects to which money is devoted as results of alcohol. Lucerne and Berne appear to be the only other cantons devoting any considerable share of the spirit money to charities directly related to abuse of drink, nor does it anywhere appear that public lectures or other educational propaganda against alcohol is provided by the cantons thus pledged to "la lutte contre alcoolisme." When we come to more backward cantons like Schwyz, Vaud, and Ticino, it is quite evident that the sum is regarded as available for any public charitable use, and that virtually no regard is paid to the stipulation that required it to be applied in "combating alcoholism." In these circumstances it is no wonder that a demand is rising that the federal government shall be empowered to exercise some supervision over the employment of this tithe.

The fuller efficacy of the federal monopoly requires the active

co-operation of the cantonal or municipal governments in the control of the retail sale of liquor.

But though a few of the cantons have made recent progress, both in the restriction of numbers of saloons and in "high license," it cannot be said that the local governments have gone very far. How difficult it is to deal with the local drink habits may be illustrated from the reform licensing law of Urban Bâle in 1887, according to which retail trade was classified as follows: (1) the sale of wine and beer, (2) the sale of spirits, (3) the sale of wine and beer by employers to workmen.

This "factory license" has now, I believe, disappeared, but for a number of years it remained upon the statute book. Like the federal law the cantonal law favours beer and wine at the expense of spirits, imposing higher scales of license duty upon the latter.

The strictest and most elaborated licensing law is in the canton of Zurich, where all forms of lodging-houses or places of entertainment are graded and licensed, whether alcoholic drinks are sold or not, and where careful detailed regulations are imposed upon the hours of labour and other conditions of employees, designed for the protection of labour and the security of public order. Here the licenses for the sale of liquor are closely graded, rising in the case of premises for the sale of wine and beer from 16s. to £8 (\$4.00 to 40.00); for wine, beer, and spirits from 14s. *od.* to £12 (\$3.50 to 60.00); for spirits alone from 8s. to £16 (\$2.00 to 80.00). Here the policy of the federal government in the distribution of profits is imitated, for though all the proceeds of the duties go in the first instance to the canton, a quarter of them is returned to the parishes on a basis of population.

The town of Bâle alone has imitated the federal government in the establishment of a municipal monopoly of the retail trade. The town, virtually forming a semi-canton, and thus endowed with plenary legislative powers, passed a law in 1888 empowering the canton to take over the retail trade in spirits

for quantities of less than forty litre. The canton is the direct purchaser from the federal government and sells the spirits to a limited number of retailers whose premises are licensed and kept under close police supervision, the government reserving the right to cancel the license at any time at will and without compensation. The number of the licenses was twenty-five, and they are scattered at intervals over the canton. The profits of the retailer are strictly limited, because the price at which they buy, and that at which they sell, is determined by the canton, and the official price list must be openly exposed to the view of the customers. The effect of this monopoly has been to improve the quality of the spirits sold, by placing effective checks upon adulteration, and to reduce the aggregate consumption both in relation to population and absolutely.

As in the federal experiment the diminution of sale of spirits is attended by a rise in the sale of wine and beer.

If a similar policy of local regulation were generally adopted the federal law would by this time have proved an even more efficacious instrument for the work to which it was directed.

Meanwhile M. Milliet is entitled to congratulate himself upon the checking of the perilous dram-drinking. In talking with him one felt strongly the difference between a Swiss legislator and official, compelled always to look closely to the actual views and feelings of the people, and the bureaucrat of other continental states. The hands of a reforming official in such a state as Switzerland are less free. The state must not raise the price of spirits too high or the people will resent it, and care must be taken to supply cheap spirits for industrial uses, even at the risk of some of this spirit being revived for drink. Liqueurs distilled from native fruits, berries, and roots must be exempted from this law. Such sort of consideration had to be exercised in order to get the people to accept a law so revolutionary in its tendency as the Alcohol Monopoly Law.

But M. Milliet insisted that there were great advantages

derived from the referendum for the administration of such a law. "The knowledge which the referendum provided, that I had behind me the great majority of the people, gave me the moral support and confidence without which I could not have successfully administered so delicate a policy. It also showed me exactly where the opposition lay and what interests I must manage to conciliate." In tackling the drink habit M. Milliet knows that it is idle to get through by "force majeure" a legislative policy in advance of public sentiment. The people cannot be weaned at once from drink, but by a judicious preference of less injurious drinks, like light wines and beers, and by restrictions upon spirits, they can be educated out of the more injurious tastes. Already dram-drinking has become not respectable in Switzerland. The decline in wine and beer may follow, though far more slowly, having deeper roots both social and industrial in the national standard of living. Meanwhile, though there is not less drinking, there is less drunkenness, and other vices and diseases closely associated with spirit-drinking are diminished.

The enemies of the alcohol monopoly, the small abstinence party, and a few theoretic opponents of state control, sometimes assert that the statistics of reduced consumption of spirits are deceptive, in that they ignore secret stills, smuggling on the German frontier, and the revivification of spirits sold for industrial uses. M. Milliet, however, while admitting that some illicit distilling may go on, denies that it has any magnitude; revivification has been greatly reduced by recent improvements in modes of methylating, while smuggling cannot be carried on profitably from neighbouring states where higher duties exist than in Switzerland. Of course, a good deal of success of the anti-drink campaign depends on the co-operation of the cantons. Here, too, the same compromise must be worked between morality and business; the cantonal governments are generally ready to raise their license duties, and have in most

cases raised them considerably alike for spirits, wine, and beer. But considerations of cantonal finance forbid them to go too far or too fast in repression of the drink traffic. There are also the local interests either of the brewers or wine-growers, or in some cantons of potato-growers, to weigh. No "high hand" of a benevolently despotic government is possible where every enactment may, or in many cases must, be submitted to a vote of the people.

To reformers who see in the drink trade a monster iniquity and desire to "crush it," the experience of Swiss democracy may appear somewhat disheartening. There is very little "heroism" and much calculating compromise in their method. But a clear recognition and enforcement of the fact that progress cannot go faster than popular feeling and intelligence permit are a mighty impetus to popular education, and each step thus won by the direct consent and co-operation of the people is worth much more than advanced legislation imposed upon a reluctant or an indifferent people, and therefore ill-administered. Although no proposals of prohibition for spirits in general have any present prospects of success in Switzerland, a special campaign directed against absinthe, which of late years has made an insidious advance in Neuchâtel, Vaud, and other cantons bordering on France, is making notable progress. Recently the citizens of canton Vaud accepted by a considerable majority a law for the prohibition of the sale of absinthe, and a similar law drafted for the Federal Assembly has a good chance of acceptance. Here is a new victory for morals and good order, though it is a significant commentary upon Swiss politics that the wine-growing industry in Vaud bore an important part in organizing the attack on absinthe, a rival drink.

CHAPTER IX

THE STATE FOR THE WORKERS

THE supreme test of democratic institutions in the future will be their aptness for the task of displacing the tyranny of private industrial monopoly and the anarchy of industrial warfare by an industrial commonwealth which shall own and administer by public employees all the industries producing goods and services the sufficient and secure supply of which is necessary to the health and fundamental well-being of all the citizens. Exactly how much municipal and state socialism the application of this principle involves it is not essential to discuss; to all clear-sighted students of recent politics it seems evident that the energies of twentieth-century democracy will be mainly absorbed in this reconstructive work, unless some malign destiny should compel the nations of advanced civilisation to spend their strength, as Mr. Charles Pearson suggests, in warding off the huge incursions of new barbarian races pouring from Asia or from Africa, armed with scientific weapons of precision and threatening the existence of Western democracy.

Preparatory to the fuller constructive work which belongs to this century, and towards which, as we have seen, Switzerland has made already a promising beginning, stands that work of social amelioration which plays so conspicuous a part in the politics of the last two decades. Partly due to the improved means of ventilating grievances and voicing concrete needs afforded by increased participation of the people in government, partly from a desire of the governing classes to divert revolutionary forces, so as to avoid inconveniently grave organic remedies, modern statesmen have been driven to devote more

attention to working-class legislation than heretofore. The dominant note of this wish has been not social reconstruction but humanitarianism. The child, the aged person, the sick, the injured, the unemployed, the weaker members of the poorer classes, have been the objects of growing public solicitude: legal provisions have been made protecting and assisting them in the various emergencies of work and life against which they cannot, or do not, make adequate provision, as individuals, or as members of a family. Factory and other industrial legislation regulating conditions of labour, and based on the assumption that children, women, and, in some cases, men, are incapable of adequate protection through labour contracts; insurance and compensation in case of accident or sickness, or injury to house or tools or cattle, assistance to unemployed workers, pensions for the old, schooling and sometimes feeding for the young, public baths, libraries and other supports designed primarily for the help and information of the workers — all this and much more falls under this humanitarian category. It is true that other motives, for instance, public health, political safety, industrial efficiency, have co-operated in this legislation, but the distinctive character has been the recognition that the state shall alleviate certain evils inherent in the working of the present system, instead of seeking to effect organic changes in that system.

Such being in the main the work to which modern governments, democratic or even oligarchic in structure, have set themselves, it behooves us to ask how far does Switzerland satisfy this "progressive" test?

The general answer is plain. She has gone as far or further than any other civilised state in these various forms of alleviative government. Her record in the development of industrial legislation, in the stricter sense of that term, is indeed remarkable. Its progress and the method of its achievement by the federal instrument deserve particular attention.

When early in the nineteenth century the factory system of manufacture began to make some progress in East Switzerland, the canton alone was competent to undertake the necessary regulation. Zurich and Thurgau, where numerous spinning mills existed, first took action in the year 1815. The chief impulses, as in the beginnings of English factory legislation, were in part humanitarian, in part educational. Children, driven at an early age into the mill, where many were worked on night shifts, were growing up with no sort of education. On the motion of the Educational Council the canton of Zurich passed an ordinance prohibiting the employment of children less than ten years old in factories, and limiting the hours of labour for older children to twelve or fourteen hours a day, with prohibition of night work. Thurgau in the same year passed an ordinance, not prohibiting child employment, but fixing a maximum day of twelve to fourteen hours, and requiring employers to see that children attended school. Some other cantons slowly followed suit, generally forbidding night labour for children and placing restrictions upon hours of work by day.

As time went on, the child age was raised, Zurich fixing it at twelve years as early as 1832. A generation later, Aargau raised this limit to thirteen, followed in this limitation by Rural Bâle and Glarus, while Urban Bâle, in 1869, raised the exemption age up to fourteen.

But while much of this early legislation related to the employment of children, the regulation of hours of labour for other workers was not neglected. As early as 1848, the Glarus Landsgemeinde passed a law relating to work in spinning mills, which limited hours of labour for all workers, fixing a maximum of thirteen hours per day for day workers and eleven hours for night workers, besides prohibiting the employment of full-time school children in factory work.

It is worthy of note that in this revolutionary year so advanced

a step in the legal regulation of adult male labour was initiated by a canton where "pure democracy" prevailed.

This early legislation was the more remarkable because, as the factory system spread, the more advanced and enlightened cantons were hampered by the refusal of backward neighbours to conform to their restrictive policy.

For many years progress was thus delayed in Zurich, Glarus, and the other progressive cantons by the greed and obstinacy of certain cantons which sought to play the "blackleg," and to develop their factory system by a sweating policy, the very problem which confronts the more advanced industrial states of the American Union.

The method by which the difficulty was overcome is instructive. After informal approaches and reproaches on the part of the advanced cantons, an era of experiments towards the establishments of Intercantonal Concordats set in. Glarus and Aargau seem to have taken the initiative, and to have made definite proposals to the backward cantons for a common policy. The matter was more than once carried as far as a formal conference, attended by representatives of a dozen cantons, in which the question of a maximum working-day for children, for women, and even for men, was the main object of contention. As in other countries, the battle was first waged round the cotton factory, which then represented the new industrial system in its most advanced form. From 1855 to 1872 these endeavours of voluntary agreement among the cantons were pressed, sometimes almost to a successful issue; but always in the end a refractory minority broke through the proposed Concordat.

Meanwhile, the question of securing for the federal government a competency to impose factory laws was agitated, taking first the necessary shape of a constitutional amendment. Rejected when first presented to the people in 1872, the Federal Amendment conferring on the Bund the new power of indus-

trial legislation received the sanction of the people in 1874, in the following form:

"The federal government is empowered to establish uniform regulations dealing with the employment of children in factories and with the hours of labour of grown persons in the same. It is likewise authorised to pass ordinances for the protection of workers against methods of conducting trade which endanger the health and safety of the workers."

Gradually the necessity of effective factory regulation of a general character had been gaining popular recognition. The conservatism of the people, however, precluded them from entrusting this function to the federal government, so long as any reasonable chance remained of action through the cantonal governments. But when the breakdown of the Concordat in 1872 attested the impracticability of this instrument, the people had the wisdom to make this almost revolutionary change in the Federal Constitution.

Democracy in Switzerland never acts in a hurry and therefore seldom repents. An effective answer to the vulgar notion that, if direct legislation is vested in the people, ill-considered and ill-drafted laws will be rushed through, is furnished by the proceedings which followed this constitutional amendment of 1874.

The preparatory work of putting into operation the new duty imposed on the federal government was entrusted to the Department of Railways and Commerce. Their first step was to consult the governments of the several cantons, and through them to obtain the opinions of the representatives of capital and labour in the various districts. With the material thus gathered, the department constructed a draft proposal, which was then submitted to a commission of experts, and after further change was published in the press and circulated in "interested circles" for public discussion.

After a summer's interval, during which the draft measure

was subjected to the fullest criticism, the Commission of experts again considered it in the light of the new facts and feelings elicited, and after passing through the hands of the Federal Council it was laid before the Federal Assembly in December, 1875, in the form of a Message.

This was the beginning of a further investigation. A Commission of the National Council was appointed which set on foot a separate inquiry into the factory conditions of the several industries in the dozen cantons chiefly concerned, and with this fresh information before them reconsidered in the sittings the draft law. Their report to the National Council proposed some minor amendments. Then came three reports of the Commission appointed by the Council of States (Ständerat), one report containing unanimous suggestions, followed by a majority and a minority report on matters of disagreement. The chief point of disagreement related to the proposed power to fix a normal working-day for adults.

When the draft law came up for discussion in the councils, this point was the kernel of contention, the Council of States only accepting this proposal in December, 1876, by a vote of 22 against 20.

In March, 1877, the draft law was finally accepted by the councils, the Council of States voting 24 for, 13 against, the National Council 90 for, 15 against.

This law was naturally challenged by an application for a referendum, the initiative being signed by 54,844 voters. A stout campaign of discussion ensued, and for six months speeches, debates, and pamphlets dealing with the Factory Law rained upon the electorate.

Here, as in the Legislature, the principal fight was over the proposal to fix a normal working-day, though the whole principle of state interference with private business enterprise was challenged by the opponents of the law, which was denounced as a first instalment of Socialism, an injury to Swiss industry,

involving as a necessary consequence a general reduction of wages.

Cantonal sentiment was also evoked against the increasing dominion of the central government. The referendum vote which took place in October, 1877, accepted the law by a small majority upon a very large poll, the numbers being 181,204 for 170,857 against.

"The Liberals and Conservatives voted against it, the Radicals and Catholics for it. In the cantons, Zurich, St. Gall, Appenzell, and also in almost all the French cantons, the voting showed a majority against the law, whilst in Neuchâtel, Glarus, Bâle, Schaffhausen, Aargau, Thurgau, and Solothurn, as also in Berne and in the rural cantons of German Switzerland, the majority declared themselves in favour of the law."¹

No sooner was the Factory Law, thus adopted by a small majority, in force, than the policy it embodied was subjected to the test of a severe trade depression, which showed itself in the industrial cantons, exciting in many quarters a strong opposition to the enforcement of the law. Petitions were organised and presented to the Federal Council to secure powers for a general remission of some of the more rigorous conditions of the law. But the Federal Council stood firm: the voice of the people had spoken, accepting the law which had been so carefully matured, and they were not prepared to take part in any attempt to reverse or even modify its character. The force of the storm was at last broken by the action of the labour unions, which entirely refused to endorse the assertion of the opponents of the law that a fall of wages had occurred in consequence of the legal reduction of hours of labour. The workers stood firmly by the new law, although the change from time to piece-wages, which took place in a number of industries, caused them at first some alarm: the increase in the productivity

¹ *Die Arbeiter-schutz Gesetzgebung der Schweiz*, von Dr. T. Landmann, p. xxxvii.

of labour resulting from shortening of hours, together with an appreciation of the value of the increased leisure, served to allay any initial feeling of dissatisfaction arising from a slight reduction in piece-wages.

The resentment of employers was slower to disappear, but after the first outcry it gradually died down. By 1880 the Factory Inspectorate was able to affirm that "there was not much complaining about the restriction of the hours of labour"; in the Report of 1881 we read, "Factory employers and workers have in many places grown accustomed to the normal work-day, and look back with no regret to the longer hours of labour," whilst the Report of 1882 avers that "even the former opponents are contented with the Normal Work-day, and one very seldom hears any complaint about it."

The main provisions of this Factory Act were as follows: A normal work-day of eleven hours was fixed for all industrial establishments in which "a more or less considerable number of work-people" were "occupied simultaneously and regularly out of their dwellings and in a closed building";¹ this work-day to commence not earlier than 5 A.M. in June, July, and August, 6 A.M. in other months, and to end not later than 8 P.M. In dangerous occupations the Federal Council has further power to fix the hours. For night work and overtime special permission has to be obtained. An hour's midday interval is secured for all, and, where Sunday work is specially allowed, alternate Sundays' rest must be given.

All night work and Sunday work is prohibited in the case of women, and rigorous rules for "close time" at and before childbirth are laid down. Fourteen is laid down as the minimum age for employment of children. Young persons under eighteen

¹ This defective definition of factory was amended, 1891, in a later resolution to cover all establishments employing machinery and power, or carrying on dangerous processes where five persons are employed, and all other establishments where eleven or more are employed.

may not be employed at nights or on Sundays, save in the special case of industries requiring uninterrupted work.

Careful rules regarding the sanitation of factories are devised: legal liability for compensation in cases of accident is imposed on the employer, unless it can be proved that the accident is due to unpreventable causes or to the negligence of the victim. Other clauses relate to payment of wages in legal tender at regular periods, fines and deductions, and the determination of the contract, etc.

Fines and, in case of repeated infractions, terms of imprisonment, are provided for breaches of the act.

In addition to this federal Factory Act, three other federal enactments of a restrictive character deserve mention as indicative of the trend of democratic government.

The first is the law prohibiting the manufacture and sale of phosphorous matches, the history of which is in its way not less significant than that of the wider measure just described.

Here the initial impulse was strictly humanitarian, consisting in a resolution passed in the later seventies by the Medical Surgical Society of Berne, calling the attention of the government to the peril of Necrosis. As a result of action taken in the Legislature, early in 1878, official inquiries were made into the condition of the match industry by the Federal Council, which, after long discussion in the legislative bodies, ended in the passing of a law at the close of 1879, prohibiting the use of "yellow" phosphorus. The result of this action was not, however, very satisfactory; the new phosphorus-free matches were clumsy articles and were very unpopular; the trade, encouraged by this circumstance, was very pressing for a law substituting regulation for prohibition, and in a weak moment the government gave way, passing in June, 1882, a law which virtually annulled that passed a year and a half before. A revival of the agitation upon humanitarian lines soon ensued, and the condition of the trade was once more the subject of several official

inquiries. Reports were secured, once more condemning the use of phosphorus, and in December, 1889, the National Council had assented to a proposal for its prohibition, but the further progress of the measure was postponed by the project for the national monopoly of the match industry, which was vigorously pressed until it was rejected by a referendum in September, 1895. Thereupon the prohibition issue was revived, and eventually, in March, 1899, a new law was passed embodying the prohibition policy, and in July, 1900, it came in force with respect to the manufacture of matches, in April, 1901, to the purchase of the same.

Another natural and necessary extension of the protective power of Federal Law was the restriction of hours of employment for railroad employees. The nucleus of this legislation is found in a proviso of the Railroad Law of 1872, that every railroad worker should have every third Sunday "free." This concession led to a vigorous movement, first, for an increase in the number of "free Sundays," afterwards to a demand for legal restrictions upon the working-day in general. In 1882 the Federal Council adopted resolutions limiting the hours of nominal employment (*Präsenzdauer*) of railway workers to sixteen, the hours of actual labour to eleven, with further regulations as to periods of rest and off-days. A law embodying most of these proposals was passed in 1890. A good deal of friction was encountered from the companies in the administration of these laws, and the genuine control of the federal government could not be regarded as effective until after the acceptance of the Nationalisation Law in 1898. At the close of 1899 a number of measures relating to the employment were adopted, chief amongst which were the following:

(1) Reduction of the working-day to eleven hours, with a further reduction in certain special cases.

(2) Provision of an hour's rest about the middle of the working-day.

(3) Fifty-two rest-days for all sorts of employees, with an additional eight consecutive days' holiday for the more responsible orders of workers, the rest of the employees to have eight consecutive days out of their fifty-two rest-days.

(4) A rest-day to include a previous or subsequent night so as to give a continuous rest of not less than thirty-two hours.

The most developed application of the restrictive policy is provided by the Federal Law of December, 1902, which limits the actual working-day to eleven hours, out of a nominal work-day of from twelve to fifteen hours, in the cases of various orders of employees, forbids all night work for women, with a few exceptions in the telegraph and waiting-rooms, etc., and limits night work for men to fourteen days a month. The policy of fifty-two rest-days per year, with eight days' continuous holiday, is further extended and enforced.

The other important instance of federal legislation for the protection of workers is the enforcement of employers' liability for injuries. The nucleus of this legislation is found in the Railroad Law of 1872, which gives the government power to make regulations "respecting the obligations of the above-mentioned transport companies in relation to compensation for deaths and injuries which occur in construction and working."

After the adoption of the 1874 Constitution, giving the federal government a general power of regulative legislation in the case of factories, a loose and provisional law was passed in 1877 empowering judges to assess damages for injuries on a general consideration of the circumstances of each case. After long investigation and much debate this law was superseded by an employer's Liability Act of 1881, influenced in its structure partly by the recent German legislation of Bismarck, partly by the English Act of 1881.

The general tenor of this act was to saddle the employers with full responsibility, and liability for full compensation in all

cases except where contributory negligence on the part of the victim or other workers, or "force majeure," could be established, in which cases the employer's liability is either diminished or annulled.

The fuller application of this policy was delayed until 1887, when another act was passed, extending Employer's Liability for railroads and factories to the building trades, transport industries in general, the laying down and repair of telephones and telegraphs, the installation and removal of machinery, and other technical apparatus, the making of railways, tunnels, roads, bridges, waterworks, etc., mining and digging, the works of public corporations, and works subsidiary to or connected with factories but not within the factory premises.

Federal legislation on the labour contract follows tolerably closely the main lines of German and English acts: voluntary consent of employer and employed is recognised as the basis of contract, the government confining itself to securing publicity for the terms of contract and the fulfilment of the terms. Certain limitations are, however, placed upon methods of payment, wages must be paid in money, at fixed times and places, with restrictions upon fines and deductions; due notices must be given for the termination of a contract, etc.

Such is the main course of the development of federal legislation in control of industry.

It is important in considering it to bear in mind the division between federal and cantonal authority laid down by Article 34 of the 1874 Constitution, which confined the legislative competency of the federation to factories, leaving all other sorts of works to the authority of the canton. Although, as we have seen, a very wide interpretation of the term "factory" has been secured, while the extension of federal management or control over transport and other departments of industry has greatly enlarged the practical power of industrial legislation thus possessed, it remains none the less true that the major part of

industry lies under the control of the cantons. It is, therefore, important to understand how far the federal policy is supplemented by corresponding legislation in the cantons.

Federal legislation may be said, partly to have led the way, partly to have forced the hand of the cantonal governments. The necessarily arbitrary distinction between factory and non-factory labour within the same trade gave rise to much agitation in the smaller workshops for cantonal laws, which should put these workers on the same favourable footing as the factory workers.

This movement in the main followed the same lines as the factory legislation; viz., it aimed first and foremost at the protection of women and children, and the substance consisted mainly of restrictions on the hours of labour.

The first canton to take action was Urban Bâle, which passed a law in 1884 regulating the labour of women: it was closely followed by Rural Bâle (1888), Glarus (1892), St. Gall (1893), Zurich (1894), Lucerne (1895), Solothurn (1895), Neuchâtel (1901), and Aargau (1902), all of which passed special laws restricting the work-time of women.

The general effect of these laws was to reduce the working-day to eleven or ten hours for women, to prohibit, or greatly to restrict, night work, to provide Sunday and other holidays, to impose a midday rest of an hour, to restrain the employment of young persons or children. Zurich, Bâle, Glarus, and St. Gall have throughout taken the lead in imposing the more drastic regulations.

In Glarus, Vaud, and Obwalden, most of the regulations of the acts are applicable to men as well as to women, and in Obwalden the working-day for men as for women, in workshops and in shops, is restricted to eleven hours.

Other important measures supporting and amplifying this policy exist. "The Licensing Laws of most cantons contain regulations for the protection of the employees of inns and tav-

erns, the school legislation and the pedlars' acts were made serviceable for the protection of children, the ancient Sunday observance legislation took more and more the character of laws for the ensurance of Sunday rest in the workshops. The apprentice enactments, which originally were intended only as laws for the furtherance of the handicrafts, gradually took on regulations designed for the protection of the labour-power of the young, as for example in canton Geneva, where a former apprentice law was diverted to the purpose of protecting the young." As the federation set the pace for the more advanced cantons, so the movement proceeds by contagion among the cantons. "The progressive steps taken in one canton soon call for imitation in others, the number of the cantons that are supplementing the federal legislation through their own laws constantly increases, the aims are constantly enlarged and the areas of this cantonal legislation grow wider, possibly paving the way for a Federal Workshop Law in the same way that the Cantonal Factory Laws paved the way for the Law of 1877."

This union of federal and cantonal industrial legislation has not, however, yet covered the whole field of labour, and even in those branches which have been subjected to legal restrictions much remains to be done. "Agricultural occupations and commercial offices are entirely unprotected. The retail trades are only subject to a restricted measure of protection by means of cantonal laws for women workers, and inns and drinkshops are in the same position. Handicrafts in which men only are employed are only subject to the Sunday rest law and, in four cantons, to the apprentice legislation. Handicrafts in which women workers are employed are included without exception under legal protection in the cantons Zurich, Lucerne, Glarus, Solothurn, Aargau, and Neuchâtel, without regard to the number of work women employed; in the canton of St. Gall only those businesses come under the women's protective laws which employ more than two workers, in the canton Bâle City only

those with more than three employees, though both in Bâle City and St. Gall it holds good that businesses with less than three workers come under the law, in cases where they employ a girl of under eighteen years."

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The division of labour between the federal and cantonal governments with regard to legislation directly dealing with conditions of labour is in some ways applicable to other legislation affecting the interests of the workers, though, when we come to matters intimately affecting the lives of the people, the commune also plays an important part as an independent legislative and administrative unit. Sickness, accidents, old age, unemployment, burial, are the principal emergencies in working-class life against which provision must be made. To these in Switzerland may be added loss of cattle, tools or other property, for a large proportion of the wage-earners are possessed of some such property.

Now, though in Switzerland as in other countries private capitalism, or working-class co-operation, has organised many insurance companies for dealing with some of these risks, while private charitable institutions help to alleviate others, the state in one or other of its areas plays a considerable part.

One of the most important tests of a modern state consists in the realisation and fulfilment of its duty to tackle the problem of unemployment, which, in the new industrial and social conditions of modern life, assumes new grave aspects and forms a permanent source of disorder in the body politic. The individual worker, the family, the trade-union or friendly society, are all in various ways able to make provision against loss of work arising from individual misfortune or minor irregularities of trade, but they have not been able to provide adequate relief for the "unemployment," caused by large rapid changes in methods of production, such as the introduction of labour-saving machinery into large staple industries, or by the great

waves of industrial depression which from time to time affect the general industry of whole nations. Slowly the public mind in most countries is coming to accept the view that organised society as a whole, that is the state, alone is strong enough to grapple with the social waste and danger of this larger unemployment. There is as yet no accepted policy, it is the age of experiment. No country is so fruitful a field for these experiments as the twenty-five little states of Switzerland. Each has been free to apply its own methods, and they have been very various.

The thin end of the wedge in the recognition of a public duty towards the unemployed is the establishment of Labour Registries to bring employees in want of work, and employers in want of workmen, into communication. Here the state merely supplements the private agencies which do this work, the ordinary registry offices or employment bureaus and the trade unions.

Not very much is done along this line in Switzerland by public authorities. There are, however, some half dozen Public Employment Registries, supported in one instance, that of Bâle, by the canton, in other instances by the municipality, as in Berne, Schaffhausen, Winterthur, and Zurich. All these, and a few others which have lapsed, have been established since 1890. Two of them, those of Berne and Bâle, may be considered distinct successes, judged by the number of applications successfully entertained, Bâle during recent years finding employment of some ten thousand applicants per annum or nine tenths of the total number: the other experiments are smaller and altogether weaker in results.

Dr. Reichesberg, analysing the figures for Bâle, comes to the conclusion that "they show that the persons who apply to the Registry to find them places, and the persons whom employers seek to engage through the Registry are principally men engaged in season trades or unskilled workmen" — a conclusion

in conformity with the experiences in other countries. The building trades, domestic service, day labourers, carters, porters, messengers, and gardeners, furnish a very large majority of the applicants.

More novel and interesting are the Relief Stations and Travellers' Homes, which, following the lines of German experiment, are endeavouring to assist those of the "unemployed" who are moving about in search of work. Nearly two hundred of these Relief Stations exist, "distributed in such a manner as not to be too near nor yet too far from one another. Relief is only afforded to those applicants who are provided with proofs of identity, and can satisfy the management that they have had some occupation in the previous three months. Only one meal (dinner) or one night's shelter with food, can be granted to the same applicant in the same half year, and stimulants are forbidden under penalties. Each shelter consists of two departments; the first, in which the case of the applicant is considered before admission, and the second, in which food and shelter are provided for the applicant if admitted. The former of these two departments is, if possible, associated with the nearest police station in order to facilitate the verification of papers of identity, etc., of the applicants."

Though relief is always free, a test of work of from two to four hours is sometimes imposed. There are a number of lodging-houses of a superior type, chiefly used by better class working-men, which may be regarded as a part of the systematisation of travel in search of work.

The system is administered by private agencies, in connection with the Swiss Inter-Cantonal Relief Federation and the Swiss Federation of Christian Travellers' Homes; but since a considerable part of the expense is defrayed by the cantonal governments, they may here be regarded as part of the state machinery for dealing with unemployment.

Neither of the afore-mentioned methods can be considered as

other than auxiliary to the ordinary private system of employment. Of a different nature are the two Labour Colonies which exist, the one at Tannershof for the canton of Berne, the other at Herdern in canton Thurgau, for all parts of Switzerland.

Application to these colonies, the principal work of which is agriculture, with building as supplementary, is made by men who bind themselves to stay, for two months at Tannershof, four weeks at Herdern. It cannot be said that either the scale of the experiment or the conditions under which it is conducted are such as to throw important light on the possibilities of the Labour Colony as a remedy for unemployment. A considerable proportion of the inmates have been convicted of crimes, many inmates are of weak health or infirm mind, and an average stay of three months is hardly enough to test the educative value of such treatment. A certain amount of curative and elevating work, however, appears to be accomplished, and about half the inmates seem to get situations when they leave. But the character of these colonies is hardly such as to make them suitable to furnish relief to *bonâ fide* workingmen whose lack of work is due to trade causes or personal misfortune and not to inefficiency.

Here, too, the administration is in private hands, the cantons contributing a subsidy.

One other attempt to deal with unemployment by public effort or public money requires mention, viz., Municipal Unemployed Insurance. Berne and St. Gall furnish two different experiments, Berne of a voluntary, St. Gall of a compulsory scheme. According to the Berne scheme, established in 1893, any Swiss citizen resident in that city, who has paid eight monthly premiums and has been in employment for at least six months of the year, can, if he is out of work during the three winter months (December, January, and February), claim a daily allowance, after a week's unemployment, which is continued for a maximum period of ten weeks. Unemployment due to

incapacity to work gives no claim. The Insurance Fund, to which nearly six hundred men subscribed in 1900-1, is administered by a sub-committee of the Municipal Labour Registry, and is operated in close connection with that institution.

The most striking fact in the experiment is the very large proportion of the subscribers who come upon the fund, over sixty-three per cent in 1901. The great majority of the subscribers belong to the building trades, most of them being builders' labourers.

The fund was primarily intended to be self-supporting, but as actually administered it exhibits a large deficit met out of municipal and charitable funds. Even with this public assistance the fund has stood on a very unstable basis. Dr. Hoffman, writing in 1903 on Unemployed Insurance, says: "Only upon one point has a practically unanimous opinion been arrived at, that is, upon the entirely impracticable character of Voluntary Municipal Unemployed Insurance — an opinion largely based upon the experience of the Berne Fund."

A bolder experiment was conducted for two years by the municipality of St. Gall, in the shape of an insurance scheme compulsorily applicable to all male wage-earners earning an average sum of less than four shillings a day, and not already insured in a society furnishing unemployed pay equal in amount to that provided by the Compulsory Insurance Scheme. This scheme was embodied in a cantonal law providing, among other conditions, that no one should receive unemployed pay unless it was found impossible to offer him "work suitable to the trade to which he belonged, or up to his strength, remunerated by the wages current in the district."

St. Gall adopted a scale of premiums varying with the daily earnings of the insured, and the Unemployed Pay was based on the premiums. The Fund received a subsidy from the Municipality, and the scheme was placed under the administration

of a committee of nine members, two appointed by the Municipal Council, seven chosen from the insured workmen. The grave difficulties of working such a scheme soon became apparent. Numbers of persons failed to register; of those who did register a largely excessive number registered in the lowest class, thereby paying a premium quite incommensurate with the rate of unemployed pay; many defaulted in the payment of premiums. By the second year of the operation of the scheme it became quite apparent that the benefits were almost exclusively enjoyed by a small number of workmen, chiefly of the building trade: no adequate attempt was made to verify the fact of unemployment, or to inquire into the causes, and very grave abuses undoubtedly occurred. The scheme became so unpopular with the respectable working-men that it was abandoned after the end of the second year of trial.

Though it seems possible that a more carefully administered scheme of compulsory insurance might be more successful, the difficulty of enforcing regular payments from all sorts and conditions of workers would probably prove insuperable. The very industrial conditions which make such insurance important preclude the regularity of contributions on the part of many grades of workers.

The problem of providing for the old age of the workers by pensions or by institutional homes has never come up as a national question in Switzerland, as it has in Germany, France, Great Britain, and other European countries. This is partly attributable to the fact that large numbers of Swiss workers retain some rights in the allmend of their commune or some other guild claim which helps them to secure a support during old age in their native village or town. In general it may be said that the Swiss burgher can look to his commune for an assistance in old age which involves no sense of personal degradation, but is taken as a right of citizenship.

But in recent times the communal task has been largely

supplemented by the cantons, an increasing number of which are setting up cantonal institutions for the aged poor, part of the funds for which are drawn from the public purse, part from charitable donations. In some instances the communes contribute towards a central institution. The cantons which already possess these Old Age Homes are Zurich, the two Bâles, Geneva, Vaud, Thurgau, St. Gall, and Neuchâtel.

The fullest and best provision is made in Geneva and in Berne. The Asile des Vieillards in Geneva dates back to 1849, though it has been reconstituted a few years ago. The minimum age of admission is sixty, and it is open not only to born Genevese, but to other Swiss and even to foreigners who have resided some time in Geneva. A small monthly payment is taken (varying from forty to sixty francs) and a comfortable and even dignified home is provided, with light work at choice and a library of 2569 volumes. The Asile contained in 1899 thirty-nine men and fifty women.

Associated with it is an insurance scheme, also dating back to 1849, by which a single premium at birth or a yearly premium entitles at the age of sixty to a monthly pension of forty francs as an alternative to admission within the Asile. At the end of 1899 there were three hundred and twenty-five persons insured, the majority living on their forty francs outside the Asile.

The numbers may seem small, but Geneva is a very prosperous city, with a very small proportion of poor, and probably this provision is ample.

Mr. Dawson gives a happy picture of the Asile or Old People's Refuge in Berne.¹ "Originally a private foundation, offering to a few aged people of respectable antecedents a quiet home for the evening of their life, it has come to be regarded more and more as a sort of municipal almshouse, and on an enlarged basis it is now wisely and successfully managed by the author-

¹ *Social Switzerland*, by W. H. Dawson, Ch. XVI.

ities of the town. There are probably few happier spots in Berne than the building in which nearly a hundred old men and women, all over sixty years (which is the minimum age of admission), mostly over seventy, and many well over eighty, are housed, fed, and clothed, without care or anxiety upon their part."

"Work is quite voluntary in the Old People's Refuge. But though no one is compelled to do anything at all, every one is glad enough to have employment of some kind. The men do gardening in summer, wood-cutting in all seasons, with a little carpentry in the workshops, while the women knit, sew, mend, screen coffee, and take part in certain domestic and culinary duties. For those who do not wish to work there are books, magazines, newspapers, and games, with tobacco for the men, and for the women those tea-pots for two, which stimulate gossip in the known way. As for their meals, they are breakfast at seven, a sip of wine at nine, dinner at twelve, coffee at four, and supper (soup) at six."

Not a few other institutions of the kind are found in other towns. So far as organised care of the aged is a test of civilisation, Switzerland will certainly rank among the first nations.

The proportion of aged poor to the population is certainly much smaller than in Germany or Great Britain, and the humane comfortable provision is better than in these countries. The undertaking of the duty by small areas of government instead of by the national government is clearly advantageous. The state in its smaller areas of commune and canton has long assisted in the work of insuring its members against damages to person and property. Long before the days of insurance companies the guilds and corporations which undertook to insure their members against sickness and losses by fire, water, robbery, etc., were partly dependent upon contributions from public funds. In the nineteenth century, most of this work passed into the hands of private insurance companies largely

organised with German capital and control. Berne, however, which early in the century established a voluntary scheme of cantonal insurance against fire, passed a law in 1880 making such insurance compulsory. This example was followed by some other cantons, the insurance policy being extended in certain cases to cover live stock and other movables.

Though insurance against sickness and accidents was generally left to private business associations, or else to religious societies, trade unions or other mutual aid companies, the idea of state insurance gained ground, and with reference to these larger injuries it was felt by many that the poorer cantons were financially inadequate and that the federation should undertake the business.

The movement once initiated ripened fast, and, since the matter lay outside the domain of the existing Constitution, a constitutional amendment was first required. After an almost unanimous vote of the Assembly the following amendment was submitted to the people in a referendum in 1890, and was accepted by a very large majority.¹ "The Confederation will by statute establish invalid and accident insurance, having regard to already existing invalid funds. It may declare participation to be obligatory upon all or upon special classes of inhabitants."

Then a curious bit of history was enacted, exhibiting a certain waywardness in the public mind, or perhaps an intelligible change of attitude in passing from general principle to concrete policy.

After the large vote on the constitutional amendment it seemed certain that the law for federal insurance, the chief promoter of which was Forrer, would be accepted.

It passed the Lower House with a single hostile vote, and the Upper House was also almost unanimous. But during the interval before the referendum a powerful and ably organised

¹ 283,228 for 92,200 against; only 1½ cantons against.

opposition sprang up, outside the ranks of the party leaders. Three prominent journalists, Micheli, Repond, and Augustine, took the lead in rallying the opponents of the law and in educating the public mind against it. A paper was started called *Les Assurances Fédérales, gare du comité d'action contre la loi*: costly circulars and posters were showered all over the French and Italian cantons: an expensive campaign, financed by the insurance companies and by wealthy manufacturers, was put in operation. So successful was this hostile propaganda that, when the voting day came, the law was rejected. A number of different causes contributed to this change of mind, some of which are thus summarised by a competent political student:

“Furstenberger tells me how the insurance law was defeated. The law combined too many propositions; accident insurance and sick insurance, these were different questions. The law called on employers, on employees, on the state — all for contributions, but who was to pay the employers' contributions in the case of day labourers (*journaliers*), who had no regular employers? There were in French Switzerland many little societies of mutual help for insurance against sickness or death. Every possible concession was made to them; they were allowed to retain their own existence and their own power of assessing their members; but they were required to place themselves under the regulations of the law in regard to perfecting their very imperfect system. This they were not willing to do. They preferred their own bad system of private insurance to a better system by the state.

“‘We wish to remain independent,’ they said. The principal cause apart from this was financial. The socialists were opposed to the law. Why, it is not easy to say. One reason was that they demanded that the state should hand over its contributions to the trades-unions but retain no supervision. They wanted the trades-unions to be the instruments through which the insurance was effected. Then, too, there was a theoretical

objection to the assessment of the individual. The socialists felt that the state should make the whole payment necessary. The large employers were against the law; the French individualists were against it, as they are against every law, *i.e.*, for collective action, — against the bank; against the railroads; against the insurance.”

Though this knockdown blow disposed of the proposal for a time, it is believed that a law more carefully planned to conciliate the opposing interests, and dividing the policy of public insurance by giving the accident insurance to the federal, the sick insurance to the cantonal government, will be accepted by the people at no distant date.

INDUSTRIAL LEGISLATION

APPENDIX

TAKING as our criterion the regulation of the time of labour, and as our principal tests, the age limit for employment of children, and the hours' limit of adults, we shall find that upon the whole Switzerland ranks as the most advanced industrial country in the world.

To the federal legislation which absolutely precludes employment of children below fourteen years of age in factories, and apports a section of the eleven-hour factory day to education up to the age of sixteen, we must add the cantonal laws, most of which fix a limit higher than that usual in other countries.

In nearly all the cantons high educational requirements place important restrictions upon the employment of children and young persons. The following is a list of the school attendance regulations in the different cantons:

	ALL-DAY INSTRUCTION UNTIL	PARTIAL INSTRUCTION UNTIL
Aargau	15	18 [19]
Appenzell, A. R.	14	16
Appenzell, I. R.	13	18
Bâle, Rural	12 [13]	14 [16]
Bâle, City	14	
Berne	15 [16]	
Freiburg	16 [girls 15]	
Geneva	15	
Glarus	13	16
Graubünden	15 [14]	15 [17]
Lucerne	13	16
Neuchâtel	14	
St. Gall	13	15
Schaffhausen	14 [15]	
Schwyz	14	
Solothurn	15 [girls 14]	
Ticino	14	
Thurgau	14	18
Unterwalden, ob.	13	15
" nid.	13	15
Uri	13	15
Vaud	16 [15]	19
Valais	15	17 [19]
Zug	14	
Zurich	14	

The bracketed numbers refer to weakly children or others affected by special circumstances.

On the application of the second test, regulation of hours of labour for adults, Switzerland also stands almost on a level with France in the extension of legal restraints to male as well as to female labour, and with Austria in her limitation of the factory day, though the British laws, nominally applicable to women only, carry in effect an even closer restriction upon men's hours than are secured by Switzerland.

The following interesting table recently prepared by the International Labour Association summarises the comparative position of the chief European industrial nations:

LEGAL REGULATION OF THE WORKING HOURS

	GERMANY	AUSTRIA	FRANCE
LEGAL LIMITATION OF DAILY WORK- ING HOURS:			
1. <i>In Factories</i> (a) For Men (b) For Women	11 hours; on Sat- urdays and holi- days, 10 hours.	11 hours.	Between 11 and 12 hours. 10 hours.
2. <i>In Mines</i> (a) For Men (b) For Women	For women, under- ground work forbid- den; above ground, as in factories. For men in Prussia a maximum day, de- pendent on sanitary conditions.	10 hours. In collieries, 9 hours; underground work forbidden; above ground, 6, 7, 10 hours.	Between 8 and 10 hours. Above ground, 10 hours.
3. <i>In Handicrafts</i> (a) For Men (b) For Women	In workshops with mechanical motor- power having to do with clothing, wash- ing, and confection- ery, as in factories; otherwise, unregu- lated.		10 hours when to- gether with women and young persons. 10 hours.
4. <i>In Commerce</i> (a) For Men (b) For Women	Only regulated in open market-places, 11½ to 12½ hours.		
5. <i>In Transport</i> (a) For Men (b) For Women	Seamen in ports, 10 hours; in the tropics, 8 hours; at sea, every other watch.		Railway servants, stokers and machin- ists, 10 hours; other employees, 12 hours.
6. <i>In Public Houses</i> (a) For Men (b) For Women	On duty, 16 hours.		

OF ADULT MALE AND FEMALE WORKERS

GREAT BRITAIN	ITALY	NETHERLANDS	SWITZERLAND
Textile factories, 10 hours; Saturdays, 5½ hours. Non-textile factories, 10½ hours; Saturdays, 7½ hours.	12 hours.	11 hours.	11 hours.
Above ground, 10 hours.	Above ground, 12 hours.		
Same as 1 (b).			In one canton, 11 hours; in two cantons, 10 hours; in six cantons, 11 hours.
			In one canton, 11 hours.
		Railway servants, 16 hours in one day, 42 hours in 3 days, 168 hours in 14 days; work involving special exertion, 10 hours.	11 hours.

CHAPTER X

INDUSTRIAL PEACE

THE pacific character of Swiss democracy is illustrated in the rapid recent adoption of Courts of Conciliation and of Arbitration for trade disputes between employers and workers. The willingness of the body of Swiss workers to enter such courts, attested by the referendum in a number of cantons, as well as by the fact that in several instances the proposal for legal settlement of industrial disputes was initiated by trade unions, is a remarkable testimony to the confidence of the working classes in public justice.

The courts are entirely of modern origin and owe their structure largely to imitation of French and German models. The earliest cantons to experiment were Neuchâtel and Geneva, which naturally turned favourable eyes to the French system of *Conseils de Prudhommes*. Geneva was the first to adopt the system at the beginning of 1884, extending its scope in 1891 from manufactures and commerce to agriculture and domestic service, and enlarging the body of the settlement so as to secure that "disputes arising between masters and workmen, employers and employees, employees and apprentices, masters and domestic servants, in all that concerns the payment of services, the execution of work and the control of apprenticeship shall be decided by the *Tribunals of Prudhommes*."

The employers and employed in each group of trades elect their representatives, fifteen for each side, to form a *Conseil*. The numbers choose by ballot a committee consisting of

president, vice-president, secretary, and vice-Secretary, the presidency and the other offices being held alternately by an employer and a workman, with the further proviso that, when the president or the secretary is an employer, the vice-officer must be a workman, and *vice-versâ*.

The work of the Conseil is divided as follows. First comes the Conciliation Board, consisting of an employer and a workman, who preside by turns. This Board has summary powers of decision in cases involving sums not exceeding 20 francs. In case of disagreement between the members, or where sufficient evidence for a summary judgment is lacking, the case is referred to the second board, the Tribunal.

The Tribunal de Prudhommes consists of a president, three employers, and three workmen, hears evidence and, where necessary, summons experts, and gives final decisions in cases not involving more than 500 francs.

Cases involving larger sums are carried to the third court, the Chamber of Appeal, which consists of a president, five employers, five workers, and a secretary (without a vote).

Finally, certain cases where competence of jurisdiction is disputed are referred for decision to a mixed court composed of two judges of the Court of Justice (nominated by this court) and three Prudhommes chosen from among themselves by the Chamber of Appeal.

The proceedings of the Tribunal and the Chamber of Appeal are public, and careful rules are provided to secure that no member of a court shall have any interest direct or indirect that is prejudicial to the impartiality of his judgment in the case he is called upon to try.

The Conseils have also other functions of a more general order. They are summoned by the cantonal government to deliberate upon questions affecting industry and commerce. A special committee of Prudhommes determines questions regarding the execution of contracts, and constitutes a sanitary

authority regarding the conditions of trades. Finally a central committee, consisting of two elected delegates, forms a reporting and mediating committee between the Conseils de Prudhommes and the Council of State and governmental departments, and is also entrusted with general powers of investigation into industrial conditions, hygienic, technical, and educational.

Such is the system in force in Geneva and Vaud. Two other cantons, Neuchâtel and Solothurm, which had adopted the same method, exchanged it later on for what is commonly known as the method of Arbitration Courts.

The distinctive feature of this method is the appointment of the president of the Industrial Court from outside the trade the disputes of which he has to arbitrate, thus securing a presiding officer of guaranteed impartiality and usually of higher experience and general competency.

The eight cantons applying this method may be divided into two groups, according to the method of appointment of the president. The so-called German group place the appointment in the hands of some governmental body; in Berne the general body of members of the Industrial Courts elects; in St. Gall the district Court, in Lucerne the High Court, in Neuchâtel the Great Council. In what is known as the Bâle Group, the president is appointed by law. In Bâle itself he is one of the presidents of a Civil Court, in Zurich a district judge appointed from among his fellow judges; in Freiburg and Solothurm a special official is provided by the law.

In other respects these Courts of Industry conform tolerably closely to the general structure of the Conseils de Prudhommes. A separate court is formed in each set of industries, an equal number of employers and workers are chosen by their fellows as judges or assessors, and out of these the actual court is constructed, the president having sometimes the right to nominate his colleagues from the judges of the group concerned, as in Bâle, sometimes the body of the court consisting of the entire

number of qualified judges chosen from the body of employers and employed, as in Berne.

The detailed processes of conciliation and arbitration differ considerably in the various cantons, but the general lines of procedure are the same. For the arbitration of a dispute the aggrieved party enters a suit, following in some cases, *e.g.*, Bâle and Zurich, the ordinary civil procedure, in others conforming to a special prescribed form. Cases of conciliation are not taken in public, and the disputants must appear in person. Arbitration Courts, however, are public. Here too, the rule is that the parties must appear in person and conduct their own case, though representation is permitted in certain instances where sickness, military service, or other special cause, intervenes, and a few cantons allow the employer to be represented by another official of his firm. As a rule, in case of the non-appearance of either party, judgment goes by default, though in a few cases opportunity is afforded for reopening the case. Counter-charges are permissible, provided the matter comes within the competence of the court, and in some cantons, provided that the counter-charge has relation to the same set of circumstances. The methods of testimony conform to the ordinary usages of the civil courts, sittings are arranged so far as possible to suit the convenience of the parties, the judgments are given publicly by word of mouth or in writing, and are enforceable by the ordinary processes of law.

In considering the extent to which this method of conciliation and arbitration is applied, it must be remembered that in several of the Cantonal Laws local option in the application of the law is provided, and that only a few industrial towns have yet come in. Further, the law is not compulsory upon all trades, even where it is adopted; only tolerably well organised industries are fitted for effective application, and even when the law gives compulsory and generally applicable powers, they cannot be enforced in many small irregular industries.

Perhaps Bâle presents the largest systematisation of the courts, and the following grouping indicates its operations: Ten Courts of Arbitration deal with disputes in these groups of trades: (1) Textiles. (2) Earth and building works. (3) Woodwork. (4) Metals. (5) Foodstuffs and Liquors. (6) Clothing trades. (7) Paper-making and polygraphic industry. (8) Chemicals. (9) Transport. (10) Retail trade and other callings (banks, insurance, employments connected with literature, art and science).

In some cantons the procedure is entirely or virtually gratuitous, the costs being borne by the public; this is the case in Geneva, Neuchâtel, Vaud, Solothurn, Bâle, and Freiburg. In other cantons a single court fee, varying from 1 franc to 20 or 30, is imposed.

In several of the cantons, the application of the law depends upon local option, so that only certain industrial towns make use of it. As a rule both the Conseils and the Industrial Courts have worked smoothly and given general satisfaction. More and more of the industrial cantons are adopting these substitutes for strikes and lock-outs, and several other German cantons are contemplating the adoption of the scheme.

It is, however, right to recognise that the habits of class antagonism in industry are not easily displaced, and grumbling is sometimes heard respecting the partiality of the courts. This generally takes the form of accusing the judges of leaning to the workmen's side, and in Bâle a good deal of ill feeling against the courts has once or twice arisen in the ranks of the employers.

In Zurich, where in 1889 Courts of Arbitration with a Board of Conciliation were established by private arrangement between employers and workers in half a dozen trades, the experiment proved so unsatisfactory to the employers that in the second year their associations withdrew and the experiment lapsed for several years, being at last revived in 1899 by a cantonal decree.

The following table gives a fair indication of the spread of this method of industrial peace in many of the chief centres of industry, with some account of the relative success of conciliation and of arbitration.

The figures make it evident that a very large amount of minor friction is saved by these courts. They also indicate that the courts are far more often used as methods of redress for alleged grievances by workers than by employers. This is perhaps at present the weak point in the system, although it should be borne in mind that the number of claims capable of pecuniary assessment would naturally be far greater on the side of workmen than of employers, most of the cases at issue being claims for wages.

CASES OF INDUSTRIAL LEGAL SETTLEMENT IN THE YEAR 1901							COMPLAINANTS		CASES WITH AMOUNT IN DISPUTE	
Industrial Courts	Number of Cases	SETTLED		Unsettled	Workers	Employers	Below 100 francs	Above 100 francs		
		Conciliation	Arbitration							
1. Geneva	1662	1485	177				1266	234		
2. Lausanne	705	584	121				587	118		
3. Payerne	71	58	13				66	5		
4. Yverdon	57	46	11				46	11		
5. Vevey	126	90	36				94	32		
6. Nyon	34	19	15				33	1		
7. Lucerne	188	31	157							
8. Neuchâtel	250	240	10							
9. La Chaux de Fonds ..	532	391	132	9			187	30		
10. Lode	215	183	32		171	44	192	23		
11. Berne	310	170	140		297	12	251	29		
12. Biel	213	155	58		184	29	184	29		
13. St. Immer	36	24	12		18	6	21	3		
14. Interlaken	60	50	10		57	3	51	9		
15. St. Gall	143	34	109				95	48		
16. Grenchen-Bettlach	11	2	6	2						
17. Bâle	842	156	686		826	16	712	130		
18. Zurich	686	526	160		677	0	626	60		
Total	6141	4245	1885	11	2230	120	4441	762		
Percentage	100-0	69-1	30-7	0-2	94-9	5-1	85-4	14-6		

CHAPTER XI

MUNICIPAL OWNERSHIP

IN an early chapter we discussed the historical significance of the commune, the Gemeinde, as the cell of the democratic organism, showing the sources of its political and economic strength. When this self-governing commune, retaining often in the allmend or in the various quasi-public trusts large landed endowments designed for the common good, has grown into a large modern city, we should expect to find a great development of municipal enterprise. Nor should we be disappointed. Such cities as Zurich, Berne, Geneva, Bâle, Schaffhausen, rank to-day among the foremost cities of the world for the variety and efficiency of their public services administered either directly or through bodies elected by the people. Some glimpses have already been afforded of the multifarious activities of these large communes, in the control of the drink traffic, the assistance of the poor, the unemployed, and other social weaklings, etc. But no picture has been given of the general structure of the civic life of such a town as Berne or Zurich. How have these Swiss communities dealt with those important problems relating to "public utilities" which have come up swiftly and silently during a single generation in every advanced industrial country?

Although Switzerland is not a land of mushroom cities, most of her towns have grown relatively fast and have during the last thirty years emerged from an almost mediæval simplicity, as regards drainage, lighting, transit, and other public arrangements, into the position of thoroughly equipped modern communities.

As in other countries most of the initial work was left to private business enterprise; capitalistic companies came, saying, "We will give you water, we will light your streets and houses, and carry you about the town," and they got profitable concessions. Then came an era of gradual enlightenment: intelligent citizens began to see that they had handed over to private groups of profit-makers the power to tax them to an extravagant extent for necessities and conveniences which they might have provided for themselves, and that they possessed no adequate control either over the quality of these services or over the conditions under which they were provided. In a word, the Swiss citizen, like the citizen of Chicago or of Birmingham, was brought up against the triple danger of private monopoly, rates fixed without competition so as to yield the maximum profit to investors, services determined in quantity and character not by public convenience but by "paying" capacity, bodies of quasi-public employees whose wages, hours, and other conditions of employment were liable to processes of "sweating," which damaged the health and lowered the standard of life of a considerable section of the working classes.

Did the Swiss citizen fold his hands complacently as he surveyed the situation and say, "Well, perhaps we made a mistake in handing over so much power to private companies, but after all they exhibited so much 'enterprise' in developing these undertakings that they deserve for an illimitable future all that they can get; if they press hard upon us we must bear it, for they have grown so big and strong that we cannot depose them; besides after all they understand the business and we do not, so we had better keep on paying them what they ask and taking from them what we can get; it is better worth our while to do this than to undertake the peril of fighting them, and the risk of entering upon new public functions for which we feel ourselves unfitted?" Or did he break this fatalistic apathy by periodic spasms of wild but impotent fury when the burden

galled his shoulders, and rally groups of citizens, who distinguished themselves from the majority by calling themselves "good," for some brief assault upon some single fortress of monopoly which, captured for a while, slid back into the possession of the enemy when the popular resentment died down?

The recent record of Swiss municipal history, while exhibiting no fully conscious or "theoretic" policy of municipalisation, shows a plain logical development of civic democracy. The early, difficult, speculative, experimental stages of a new industry, even when it is one that supplies a commodity in general demand, is often wisely left to private enterprise; when it has been set upon a safe stable footing, the experimental stage passed, and the routine stage reached, the time has come for the municipality to assume for itself the duty it had previously delegated to others. There is nothing unreasonable in this. The private company recoups itself by high, if uncertain, profits during the period of its control, and commonly obtains ample compensation for its dispossession; the municipality which could not perhaps have exhibited the qualities of adventure and resource which the hope of profit evoked during the era of development is fully competent to conduct with economy and efficiency a fairly settled business, and even to secure for the public purse some share of the more modest profits that belong to a routine industry which is not based on the competitive economy, paying all employees the lowest wage they can be hired for, and charging the public the highest rates they can be forced to pay.

The Swiss citizen, in his democratic "cell," the commune, has everywhere pushed steadily and successfully towards the realisation of this municipal progressive policy. He has not been a plunger; there are German cities, not a few, where bureaucratic socialism has gone further. The Swiss has not been an indiscriminate municipaliser, as in his state and his

federal policy he has always stopped to ask "whether it will pay"; he is not bent on realising some vision of a self-sufficing city, but he is willing and anxious that his city shall take over any enterprise which it can conduct cheaper, or better, or more safely, than it has been conducted in private hands.

How general, persistent, and successful has been the pressure of this tendency will be seen from the following short record of municipal facts, which takes in order the chief towns.

Bâle took over in 1868 the gas works, which, originally built by the city in 1852, had been leased to a private firm. In 1875 it took over the water works from a private company. The electric works erected by the town, and supplying not only municipal wants but industrial power to private businesses, were erected in 1899 and have been operated by the city. Bâle was the first city, in 1892, to undertake the building and working of street railways, successfully opposing the claim of a private company; in 1895 she converted them into an electric system, the length of which now amounts to 23,913 metres.

Berne was the first Swiss city to take over, in 1861, the gas supply; in 1878 she installed her municipal water supply and in 1891 her electric supply. In 1900 she took over from the company which had worked it for ten years the street railways system which she has since electrified and enlarged to a length of 11,188 m.

Biel has possessed her water and gas since 1880, and has just erected electric supply works, arranging also to take over an old horse tramway with the purpose of electrifying it.

Geneva has owned her water from the beginning, her gas and electric works since 1896; though her street railways still remain in the hands of a private company they are dependent for "power" upon the municipal supply.

Lausanne is less advanced. Only in 1896 did she buy back from a company her gas works, and though she owns her electric supply she possesses only an interest in, not full control

over, her electric street railways, though the water works are now publicly owned and operated.

Lucerne is a well-developed municipality. In 1873 she installed her water works, in 1894 acquired her gas works, in 1897 set up an electric supply, and built an electric street railway system, which by 1899 reached 8527 m.

Schaffhausen acquired its water works from a company 1883-4, bought back its gas works in 1897, installed its electric supply in 1896-8, and has established an electric street railway system amounting in 1906 to 4135 m.

Thun has its water, gas, and electricity, Vevey its gas, electricity, and street railways (its water, formerly owned in common with seven other communes, was taken over in 1900).

St. Gall has its water since 1878, its gas bought back in 1886, its electric supply in 1896, and 9292 m. of street railways.

Winterthur acquired its control of water in 1872, and bought back from a company in the same year its gas; its street railways amounting to 2044 m. were built by the city and are worked by it since 1898.

Zurich obtained control of water 1866 (extended 1885); in 1886 acquired the gas works which since 1856 had been operated by a company, and set up an electric supply in 1890; her street railways are municipalised to the extent of 25,174 m., leaving about 12,000 m. still in the hands of private companies.¹

This steady drift towards increased municipal ownership does not attest the influence of theoretic socialism. Each step is taken on business calculations, and the spread of the movement is a testimony to its general financial success. Since a city is not, like a private company, under any obligation to make a profit on any or all of its services, and may prefer in some instances to sell a service to its citizens below cost price, we cannot measure from the published accounts the full extent

¹ This summary has reference for the most part to the municipal industries in 1902. Since then municipalisation has made further conspicuous advances.

of the benefits conferred, except by a comparison of profits and prices too intricate for consideration here.

But the summary given in the Appendix to this chapter of the chief public services in the most important cities, serves to show that in nearly every instance civic ownership and management does in fact secure a net profit, after paying the interest on borrowed capital and in most cases a contribution towards a sinking fund. In comparing such results with experience of municipal or private enterprise in America or Great Britain, it must be remembered that hardly one of these cities ranks in population even with the second grade of industrial cities in the two other countries.

This progress in the municipalisation of public services is conspicuous in the large attention given to the establishment of electrical supplies. It is here that in fact the Swiss municipal reformers have displayed more forethought than those responsible for the similar movement in Great Britain. This, no doubt, is due in part to the attention paid in Switzerland to water power as the possible source of industrial as of other energy in the future. Even now a few cities, such as Geneva and Bâle, depend chiefly or partly on water power for their electric supplies. If the future enables electricians to solve the grave problems of storage and distribution which at present retard the full utilisation of water power as the generating medium, the foresight exhibited by these cities will stand them in good stead. In any event it becomes more and more evident that the owners of the most effective supplies of electric energy, however got, are likely to exercise a potent, perhaps a despotic, control over the industrial future, and the comparatively advanced policy of these small Swiss municipalities in seizing the reins of power is evidence of a high order of governmental capacity. Nor is the capacity to be ascribed entirely or chiefly to the skill and enlightenment of a few trained bureaucrats, as is the case in certain German cities. For here the policy must

be ascribed in the last resort to the will of the people who have endorsed it. For though in certain of the French cantons there is set up in the larger municipalities an intermediate authority called the Conseil Generale or Conseil Communale, which takes over from the body of the people that elects it many important prerogatives of government, voting the annual budget, supervising the administration of the public domain and the various departments of government, the people even here retains a large power of veto in addition to the electoral rights. In the Germanic cantons, where most of the large and developed municipalities stand, there exists no such barrier between the naked will of the people and the administration. There the final source of authority is the popular Assembly, which elects the officials, votes the taxes, sanctions new enterprises, and supervises its administrative agents. The powers thus exercised exceed in the aggregate those of an American city, for local autonomy in one all important matter is larger. No limitations are laid by the state upon the taxing power of a city for improvements, and the only limitation on its spending power is usually contained in some proviso that the existing city property shall not be sold or mortgaged without the consent of the cantonal government.

The large liberty thus enjoyed by a Swiss municipality has, of course, led to a variety of experiments in municipal enterprise that lie outside the generally accepted limits of "public services." Alike in the domains of education, public health, assistance to the workers, and municipal art and recreation, civic activities take forms unfamiliar to the ordinary American city. Though perhaps there is little in the educational policy even of such advanced cities as Zurich, Lausanne, and Geneva that is altogether new, the Swiss cities have carried technical education and training far beyond anything in America or England. The country is now full of primary technical schools, industrial special schools (Fachschulen), industrial continua-

tion schools (Gewerbliche Fortbildungs-schulen), artizan schools (Handwerker-schulen), and industrial schools of design (Zeichnungs-schulen). The Zurich Polytechnic stands at the head of a number of similar institutions, communal in management, where free instruction is given. Both the principles and the practice of art, manufacture, handicraft, and commerce are taught in a variety of carefully graded establishments, where due attention is paid to local requirements, while professional and domestic training are provided in a number of universities and colleges. Industrial and Commercial Museums, well-utilised for oral demonstrations, form an important and a growing feature in the technical education of Swiss cities.

A hardly less important test of modern civic progress is afforded by the increased hold municipal governments are taking upon the Housing and Land questions, upon the solution of which not merely the health but the liberty of a city so much depends. Gradually in all civilised communities intelligent citizens are coming more and more to recognise the danger of leaving the building and the renting of the homes of the people to unchecked private enterprise and "free" competition.

Within the last fifteen years many Swiss cities, recognising the social evils arising from over-crowding and excessive rents, have undertaken to provide or to assist in providing workmen's houses.

Berne was the first to enter on this public policy in 1889, employing her borrowing power to raise capital and construct a number of small dwellings. She now possesses 134 small houses with 182 apartments. Neuchâtel has followed in her wake, and since 1893 has built and lets 61 apartments. Since 1897 Lausanne has been negotiating a similar project. Zurich has for some time possessed a group of workmen's dwellings and is planning a large extension of the system in various quarters of the city. Bâle is developing a similar project, having acquired since 1895 a considerable quantity of land

for the purpose. The city of Geneva, co-operating with the canton, has secured borrowing powers in order to build or to give subventions to building companies.

The movement is at present in its experimental stage, but many of the municipalities possess or control large plots of land within their borders or upon their outskirts, and the public ownership of houses is assuming a prominent place in the progressive programme.

Nor does this movement content itself with running up great tenements in which the individuality of the home is lost. The tenement system is almost everywhere abandoned, surviving to-day only in Lausanne, Geneva, and Vevey. Everywhere else it is the small house, the cottage home, which the municipality aims to erect.

Communal democracy, though often irregular and always incomplete in its working, is better represented to-day in Swiss towns like Zurich, Bâle, Geneva than in any other cities of the civilised world. A child born in one of these cities and living there throughout his life as a worker gets a greater and more valuable number of supports from the organised self-help of the municipality than anywhere else.

From infancy his physical as well as his intellectual welfare is safeguarded in the school, where medical inspection and full provision for physical defects are part of the educational system.

The discovery and training of special aptitudes, so as to open up the best opportunities of work and livelihood, are recognised as civic obligations. A network of technical and culture schools are designed at once to improve the efficiency of the workman and to develop his general intelligence. The quantity of municipal employment under relatively good conditions of employment is continually growing and affords an increasing chance of stable and fairly remunerative employment. Against the disorder and mishaps of industrial life under private employment, the public machinery of labour bureaus, insurance

and labour homes makes considerable if not adequate provision for the poorer workman, while for the aged or the invalid a comfortable public refuge without degradation is furnished, with a free burial that carries none of the stigma of pauperism but is a common civic right. The ample conception of public education and enjoyment places good books, and lectures, pictures, music and the drama, within the reach of every ordinary citizen by means of municipal services which are rendered free or cheap by public subsidies.

	MUNICIPAL CAPITAL		INTER-EST	SINKING FUND	RENEWAL AND RESERVE	NET PROFIT	
	Fr.	\$				Fr.	\$
Bâle							
Gas.....	3,152,990	630,598.00	4½	7.86	—	456,714	91,342.80
Electricity.....	3,494,880	698,976.00	4	8.66	—	—	—
Water.....	3,031,945	606,389.00	4½	4.24	6.31	—	—
Street rails.....	6,006,365	1,201,273.00	4	1.85	2.78	—	—
	15,686,180	3,137,236.00				456,714	91,342.80
Berne							
Gas.....	2,293,763	458,752.60	6	4.58	2.61	358,337	71,667.40
Electricity.....	2,739,744	547,948.80	6	8.63	—	98,844	19,768.80
Water.....	5,960,735	1,192,147.00	4½	0.85	0.83	165,799	33,141.80
Street rails.....	3,099,128	619,825.60	3½	2.57	1.28	—	—
	14,093,370	2,818,674.00				622,890	124,578.00
Biel							
Gas.....	1,266,092	253,218.40	—	—	Fr. 5,000	112,000	22,400.00
Electricity.....	944,551	188,910.20	—	—	5,583	46,745	9,349.00
Water.....	810,954	162,190.80	—	—	5,000	141,000	28,200.00
Street rails.....	864,635	172,927.00	—	—	8,130	4,500	900.00
Slaughter-house.	458,269	91,653.80	—	—	2,000	38,244	7,648.80
Baths.....	45,000	9,000.00	—	—	—	2,954	590.80
	4,389,501	877,900.20				345,443	69,088.60

MUNICIPAL WORKS, 1905, — *Continued*

	MUNICIPAL CAPITAL		INTER-EST	SINKING FUND	RENEWAL AND RESERVE	NET PROFIT	
	Fr.	\$	%	%	%	Fr.	\$
Geneva							
Gas	8,217,007	1,643,401.40	3½	2	—	944,195	188,839.00
Electricity	5,021,090	1,004,218.00	3½	2	—	671,255	134,251.00
Water	20,865,014	4,173,002.80	3½	2	—	858,657	171,731.40
Street rails	628,134	125,626.80	3½	5	—	97,186	19,437.20
	34,731,245	6,946,249.00				2,571,293	514,258.60
Lausanne							
Gas	1,979,360	395,872.00	4	—	5.56	205,052	41,030.40
Electricity	9,176,917	1,835,383.40	4	1.13	—	121,500	24,300.00
Water	6,660,278	1,332,055.60	4	—	—	—	—
	17,816,555	3,563,311.00				326,552	65,330.40
Lucerne							
Gas	2,246,183	449,236.60	4 & 3½	Fr. 22,976	Fr. 81,568	41,605	8,321.00
Electricity	2,236,575	447,315.00	4	22,110	106,285	110,516	22,103.20
Water	2,405,591	481,118.20	3½	35,554	27,770	97,333	19,466.60
Street rails	2,284,960	456,992.00	4 & 3½	19,421	29,862	(loss) 20,566	(loss) 4,113.20
	9,173,309	1,834,661.80				228,888	45,777.60

Neuchâtel									
Gas.....	1,358,467	271,693.40	3 $\frac{2}{3}$	1 $\frac{1}{3}$	2.33	—	—	—	—
Electricity.....	3,386,751	677,350.20	3 $\frac{2}{3}$	1 $\frac{1}{3}$	2.45	—	—	—	—
Water.....	2,879,728	575,945.60	3 $\frac{2}{3}$	1 $\frac{1}{3}$	0.58	27,406	5,481.20	5,481.20	—
	7,624,946	1,524,989.20				27,406	5,481.20	5,481.20	—
St. Gall									
Gas.....	4,300,000	860,000.00	4 $\frac{1}{2}$	3	—	100,000	20,000.00	20,000.00	—
Electricity.....	2,849,000	569,800.00	4 $\frac{1}{2}$	3 $\frac{1}{3}$	—	—	—	—	—
Water.....	2,781,000	556,200.00	4 $\frac{1}{2}$	4	—	25,000	5,000.00	5,000.00	—
Street rails.....	1,712,700	342,540.00	4 $\frac{1}{2}$	—	4 $\frac{1}{3}$	(loss) 47,000	(loss) 9,400.00	(loss) 9,400.00	—
	11,642,700	2,328,540.00				78,000	15,600.00	15,600.00	—
Winterthur									
Gas.....	2,724,514	544,902.80	4 $\frac{1}{2}$	4	—	132,676	26,535.20	26,535.20	—
Electricity.....	1,227,851	245,570.20	4 $\frac{1}{2}$	4	—	(loss) 65,467	(loss) 13,093.40	(loss) 13,093.40	—
Water.....	2,566,195	513,239.00	4 $\frac{1}{2}$	4	—	26,561	5,312.20	5,312.20	—
Street rails.....	225,803	45,160.60	4	—	6.6	—	—	—	—
	6,744,363	1,348,872.60				93,770	18,754.00	18,754.00	—
Zurich									
Gas.....	9,242,771	1,848,554.20	4 $\frac{1}{2}$	4	—	804,794	160,958.80	160,958.80	—
Water.....	6,327,589	1,265,517.80	4 $\frac{1}{2}$	3	—	445,095	89,019.00	89,019.00	—
Electricity.....	5,257,899	1,051,579.80	4 $\frac{1}{2}$	5	—	216,640	43,328.00	43,328.00	—
Street rails.....	8,084,478	1,616,895.60	4 $\frac{1}{2}$	Fr. 253,000	99,924	—	—	—	—
Other.....	753,606	150,721.20	4	5	—	9,016	1,803.20	1,803.20	—
	29,666,343	5,933,268.60				1,475,545	295,109.00	295,109.00	—

CHAPTER XII

THE CO-OPERATIVE MOVEMENT

THERE are those who hold as a self-evident proposition that state activity paralyses individual initiative,* regardless of the fact that everything depends upon the nature of the state. Where governmental power is exercised by an aristocracy, by a bureaucratic caste, or any substantially non-representative body, or even by a representative assembly unchecked and uninspired by close contact with the feelings and the judgment of the people, the state does in fact become a thing apart from the people, a Providence or Destiny imposing upon the people a will not consciously recognised as theirs. Wherever and in so far as this real and conscious separation between the state and the people exists, the growing power of the state and the increase of its functions are an actual danger to the free individual and co-operative life of the people, who, becoming accustomed to a state that does things for them, lose the capacity to do things for themselves. But when the people is and feels itself to be the state, when the part it plays in governmental work is so constant, so various, and so important as to maintain the consciousness of democracy, no such antagonism between state and private activity exists: government is simply that form of social self-expression which the will of the community finds it most convenient to adopt for certain purposes, other social work being left to looser forms of voluntary co-operation.

The Swiss citizen is not less apt, but more apt for every sort of private co-operative effort, because he is accustomed to

express his will on many matters through the commune, the canton, and the Confederation.

As the machinery of the state has been more fully developed upon democratic lines during recent years, private initiative and the spirit of voluntary combination have thriven marvelously. Perhaps the most instructive illustration of this spirit is given in the spread of the consumers' co-operative societies through the towns and villages of Switzerland. Some stray seed of the early English co-operative movement of the forties had found their way to Switzerland, but lay dormant for half a century, the simpler conditions of Swiss life and the absence of a large town proletariat being unfavourable to the growth. With the increasing industrialisation of large sections of the population, and improved communications between the towns and villages, the organisation of the consumer has taken shape in the establishment of co-operative stores that already play a very important part in the life of the people, especially in the German cantons.

The size and extraordinary recent rapidity of growth in this species of co-operation may best be placed in evidence by the following official record, dealing with those societies, (comprising the great majority of the whole number), which belong to the co-operative union (Verbunds-Verein).

A SOVEREIGN PEOPLE

	NUMBER OF SOCIETIES	NUMBER OF MEMBERS	NUMBER OF STORES	TURNOVER		PROFIT		DIVIDENDS	
				Fr.	\$	Fr.	\$	Fr.	\$
1897.	71	53,365	279	21,798,455	4,359,691.00	2,317,787	463,557.40	1,696,049	339,209.80
1898.	89	64,192	329	25,876,328	5,175,265.60	2,748,924	549,784.80	2,050,635	410,127.00
1899.	105	76,238	391	30,892,090	6,178,418.00	2,968,781	593,756.20	2,237,667	447,533.40
1900.	116	83,549	419	32,725,427	6,545,085.40	3,203,538	640,707.60	2,391,991	478,398.20
1901.	125	96,482	471	35,691,681	7,138,336.20	3,210,075	642,015.00	2,407,459	481,491.80
1902.	133	102,482	494	38,665,000	7,733,000.00	3,743,732	748,746.40	2,871,193	574,238.60
1903.	142	111,869	524	43,235,016	8,647,003.20	4,051,736	810,347.20	3,122,848	624,569.60
1904.	175	126,698	595	48,519,942	9,702,788.40	4,621,487	924,297.40	3,214,945	642,089.00
1905.	204	140,768	663	54,103,814	10,821,962.80	4,915,956	983,191.20	4,036,957	807,391.40

Previously confined to the towns and certain rural districts of the German cantons stretching from the Lake of Constance to the Lake of Geneva, during the last eight years the movement has spread so rapidly into other parts of Switzerland that now there is no single canton without its Konsum-Verein or co-operative store. During these eight years our table shows that the number of societies is nearly trebled and the number of members nearly quadrupled, while turnover, profits, and dividend on purchases have grown very fast, though naturally the growth of these items is not so rapid as the movement spreads into the poorer districts.

The position already achieved is one of great strength, for if we compare the number of co-operative members, already exceeding 140,000, with the total population of this little country, a little over three millions and a quarter, and remember that each member represents a family, we shall come to the conclusion that the co-operative movement already embraces about one fifth of the nation.

In the few industrial cities of considerable size, especially in Bâle, Zurich, and Berne, the co-operative stores are a dominant factor in local commerce. Bâle, indeed, may dispute with Oldham or Rochdale the claim to be the most co-operative city in the world, for its societies possess no less than 27,000 members out of a total population of 116,000. Allowing for the probability that four members out of five are heads of a family, we may conclude that about nine tenths of the population deals more or less with the co-operative stores. The great pillar of the movement here as elsewhere is the grocery store, sugar, coffee, cocoa, soap, and oil figuring amongst the largest items of purchase. A considerable sale, however, of cheap wines, tobacco, and coal takes place, while in Bâle and in one or two other large centres butchers' meat figures largely in the local sales. Besides a large and admirably equipped

central store for the preparation of meat there are no fewer than twenty branches for the retail distribution of meat in Bâle. In clothing the stores chiefly confine themselves to boots and shoes and to woollens, though a considerable variety of other goods are also sold.

The co-operative union with its headquarters at Bâle also serves the purpose of a wholesale society, buying in the wholesale markets large quantities of staple goods, testing and grading them, and serving them out at cost price to meet the demands of the retail stores or of their individual members. The wholesale society, however, is far from being a mere machine for distribution: in its capacity as the central organ of the movement it performs extremely important educational, advisory, and developmental work. Under a skilled and highly trained economist, Dr. Hans Müller, it has undertaken these organising and directing functions with a remarkable success. Distribution in the eyes of the Swiss co-operators is to be taken out of the region of profit-making business and to be treated as a scientific problem, viz., how to supply individual consumers with sound and well-made goods at prices which eliminate distributors' profits and merely add to the cost of growing or manufacture the minimum cost of the necessary processes of distribution. Nowhere else, not in the cradle of co-operative Lancashire itself, has this central work of organisation been so thoroughly planned and executed. In the well-equipped chemical laboratory at Bâle all sorts of foods are submitted to scientific analysis, and the elaborately ordered show-room is designed not to entice buyers, but to serve as a medium of instruction to the salesmen of the local stores who visit it to learn the nature of the goods they handle. The bookkeeping and statistical departments not merely place the central office in touch with all the branches, but contain a *dossier* of every member of the local branches, while the library is a compendium of the co-operative movement throughout the world,

containing the permanent and current literature of co-operation in every language.

The movement is almost entirely a consumers' movement. The wholesale, unlike the English and Scotch wholesales, makes no attempt to establish productive works even for such routine articles as shoes or cloth. Although for a long time past there have existed independent sporadic experiments in productive co-operation, based on the principle of a group of workers owning and managing a business for their own profit, this branch of co-operation has never really thriven. At present probably not more than a dozen productive co-operative societies exist, and most of these do not fulfil the co-operative ideal, since either they are dependent for the capital they use upon outside business men to whom interest must be paid, or else they are themselves little capitalist companies employing workers who are mere wage-earners and not full co-operators.

Though in earlier years the Swiss distributive co-operators sometimes dallied with the so-called profit-sharing idea by which the employee receives a portion of the gain of co-operation in addition to his wages, the successful and growing movement of to-day is rigidly fixed upon what is known as the "Rochdale plan," which eliminates the trader's profit by serving out commodities at "cost" price. There is, however, one interesting difference between the Swiss and the British method of interpreting this idea, a difference not of economic principle, but of method. The prevailing idea in Great Britain is to sell goods to the co-operative member at ordinary market prices, giving back to him in dividends on purchases the portion of the price which represents trader's profit, and which it is the object of co-operation to "save" for the benefit of members. The test of a successful store is commonly taken to consist of the amount of its half-yearly dividend, and the belittlers of the co-operative movement represent its adherents as mere "divi" hunters. Now the Swiss movement, though

also concerned with dividends, is less exclusively attached to them, and generally puts a maximum limit of some eight per cent upon this payment. Part of the benefit is given in prices listed below those prevailing in the outside retail market. How much of the benefit shall take this shape varies with the policy of the different societies, but as a rule bread, meat, sugar, and other prime necessities are sold at very little over cost price, the "dividend" being got out of the sale of wine, tobacco, and luxuries, which are sold at prices little, if anything, below that of the outside retail trade.

In other words, the policy is primarily directed to secure the cheap sale of wholesome articles of necessity or convenience of life.

As in most countries this movement sprang up first in a scattering of little stores among the towns and villages, buying their goods in the ordinary wholesale markets. The co-operative wholesale is a recent development and has greatly strengthened the movement. The retail stores are in no wise "tied" to the wholesale; the latter has to show them that it can sell better or cheaper goods to get their custom. But in point of fact each year shows the retail stores taking a larger proportion of their goods from the wholesale. This is only natural, seeing that the latter makes no profit on its sales, but sells to the retail stores at cost, plus a small surplus which is put aside to build up a heavy reserve fund, so as to enable the wholesale to expand its business and to perform the educational and other propaganda work which falls within its recognised functions.

One special feature of Swiss co-operation deserves mention, viz., the growth of a number of rural societies for the purchase of manures, machines, and other farming appliances which are got through the wholesale. This work is especially adapted to the needs of a people who, notwithstanding the recent industrial trend, remains in large degree a nation of peasants.

The educational work of the movement is carried on partly by lectures and conferences, but principally by means of a powerful and ably-written press. There are four regular publications of the movement, two of which, issued from the central organisation at Bâle, have great influence, one, the *Schweizerische Konsum Verein*, circulating chiefly among the store-keepers and committee-men in the various local centres, the other, *Genossenschaftliches Volksblatt*, addressed to the rank and file of the members, and having a circulation of some 70,000 per week.

There can be no question that the co-operative movement is not only doing valuable economic service to its many thousands of members, but is helping to build up sympathy and solidarity among the different races composing the Swiss populations, and is thus feeding in a very practical way the sense of national democracy.

Hitherto, like the English and unlike the Belgian co-operator, the Swiss have kept their movement outside party politics, refusing in any way to identify co-operation with the socialistic or labour organisations which are making their impress alike upon municipal, cantonal, and federal politics.

But on certain political issues directly affecting the success of their work they take a lively and determined action. Concerned primarily with the interests of consumers, they necessarily favour free trade or low tariff, especially with relation to Germany and France, two nations upon which they are dependent for a large proportion of their manufactured goods and for the whole of their coal fuel.

Strong political activity has also been directed to obtain for them a remission of the heavy taxation imposed upon them as commercial undertakings, which in certain cantons is a crushing burden on their stores. This claim for exemption of taxation on the ground that they are not commercial companies earning profits is of course bitterly contested by the

associations of ordinary traders, and has not yet been successfully established anywhere.

So likewise any special legislation affecting the price or limiting the supply of foods brings the co-operators on to the field of politics. In this capacity of defenders of cheap food they have taken an energetic part in fighting the law for the inspection and restriction of imported meat which, under the cloak of hygiene, the Swiss farming interests have been promoting with the object of enhancing the price of domestic cattle.

In the co-operative movement, as in other movements, the Swiss intelligence is alive to the importance of internationalism, and since 1897 has sent its representatives to the National Co-operative Congresses of other states. Its officers took an active part in the International Co-operative Congress held in 1905 at Buda Pesth, and a number of the stronger Swiss societies have pledged themselves to contribute towards a fund designed to secure a permanent basis for the international organisation.

CHAPTER XIII

SWISS SOCIALISM

THE picture presented here of a real democracy, a people deciding for themselves the important issues of their common life, ascribing to themselves in their communes, their cantons, their Confederation, the full ordering of those matters which most naturally fall within these respective areas of activity, working out by peaceful evolutionary methods, after mature discussion and deliberation, those new governmental organs and functions required for the changing conditions of modern industrial civilisation, conjoining the maximum of effective state co-operation with the minimum interference with individual liberty, — such a picture may well seem “too good to be true.” And to some extent it is too good. There are two classes of critical idealists in Switzerland who agree in certain disparaging judgments upon the achievements and present tendencies of political and social life in the Confederation. Cultured academic reformers, in their moments of impatience with the tardy compromising ways in which “the people” walks, are apt to agree with the out-and-out socialists in regarding Switzerland as “a bourgeois democracy.” Some notion of what is meant by this phrase will have been conveyed to readers who have followed the story of railroad nationalisation or the alcohol monopoly. They will remember that in neither instance could a single regard for principle or public welfare be considered as the determinant motive for the measure. In each case public intelligence and virtue have to be supported by carefully devised appeals to local and industrial interests;

the cantonal jealousy of the central government had to be appeased by special concessions; and vested interests had to receive careful consideration. In a word, the car of progress could not be run along a smooth track of logic and justice, but was forced to move slowly and with difficulty along the somewhat crooked and jolting journey towards a legislative goal over which "Compromise" was written in large letters. Whether the question be of tariff or taxation, factory legislation or of banking and insurance, organised and industrial interests exercise considerable "pull" upon processes of legislation, though this is no evidence of the existence of the coarser methods of corruption practised in many nations. Special local and industrial interests sometimes co-operate, sometimes cross, in the conflict of public opinion which eventually takes shape in acts of government. French and German, Catholic and Protestant, townsman and countryman, men of the mountains and of the plains, exhibit manifold divergencies of feeling and of interest which politicians have to manage. In such processes a selection takes place which seems to give a disproportionate power to certain types of Swiss. The results of the referendums show that in general the Germans have made both the direction and the pace of recent movements, especially towards centralisation and the increased functions of the Bund, the French cantons remaining more conservative and more confined in thought and feeling within their several cantons. In particular the Bernois is generally cited as a domineering and persistent man, of strong practical and managing capacity, who gets his way, and, using his local advantage in possessing the seat of federal government, tends to exploit the rest of Switzerland for Bernese purposes. This language one hears everywhere in Switzerland, and though the charges of Bernese exploitation are generally couched in vague terms without explicit evidence of injury done to other cantons, there can be no doubt that Bernese statesmen and

the public opinions of the Bernese people have played a rather dominant part in federal affairs ever since the Federal Act of 1874.

When it is said that Switzerland is "a bourgeois democracy," the energetic Bernese tradesman is taken as the typical politician, and his aims are commonly regarded as business aims, to improve such public services as are beneficial to industry and commerce regarded from the "undertaker's" point of view, to keep down taxation, to practise economy, and to utilise a tariff and commercial treaties for the protection and enlargement of Swiss industries.

But, especially from the standpoint of the socialist or labour man, a wider significance must be given to "bourgeois" than that which identifies him with the manufacturer or tradesmen of the "burg."

Switzerland remains, as we have seen, in large measure a peasant nation. Now the Swiss peasant is himself in his way "petit bourgeois"; many of the small holders are men of substance, having besides their private property a share in the common property of their village, or at least some claim to support which gives them an economic status very distinct from that of the mere proletarian, the landless labourer who must live exclusively by the continuous sale of his labour power. Now the politics of the bourgeois farmer are simple and consistent, viz., to obtain high prices and large demand for the sorts of agricultural produce his land is capable of raising, and to enhance the value of his land, so that, when he wishes to sell and to become a little "rentier," he may do so with advantage.

The peasant probably ranks as a more potent political factor in Switzerland than in any other advanced country. In most modern states the concentration of population in the towns, and the superior political organisation of the industrial and commercial interests of the towns, have enabled the latter to exert a predominant control over politics even in countries

where the rural population possesses a share of representation in excess of what its numbers entitle it to possess. Now in Switzerland, not merely is it the case that the drift of population to the towns, though considerable, is less rapid than elsewhere, but the capacity of the peasants to exercise an influence upon politics has been very remarkable. Whereas the Swiss industrial cities are very cosmopolitan, and the flow of foreigners renders political organisation somewhat difficult, the stability and solidarity of the peasant class, inheriting traditions of corporate action and strong persistent views of peasant policy, have given them a great power in moulding policy. Here again the referendum and "direct" democracy have contributed. It is no use for any group of astute politicians or business men to "run through" some measure for the exclusive advantage of the cities and their business interests: such a measure has to go to the great rural population for endorsement; here every vote counts, and every rural voter scrutinises with a jealous eye any measure involving some expense or disturbance of business in which it is not clear how he himself "comes in." It is not enough that a proposal should be innocuous; the peasants are commonly averse to innovation; a certain leaven of positive conservatism, latent in their "philosophy of life," has to be overcome. This is why almost every piece of advanced central legislation is found to contain some protective or other financial sop for the farmer. Nor is it mere blind individual instinct of self-interest that exerts this influence. The organisation of the peasants is hardly less remarkable than that of the co-operative consumers or the trade unions in the developed town industries. The Farmers' Federation (Schweizerischer Bauer-Verband) is an extremely well-organised and powerful combination, with a policy the first plank in which is agricultural protection, and exercising a voting power estimated by competent judges to amount to 250,000 votes on any issue of recognised importance. In several recent

political conflicts, where the interest of country versus town, agricultural producer versus industrial consumer, has been in question, the Farmers' Federation has won important victories. The popular acceptance of the Tariff Law of 1902, giving increased protection to Swiss agriculture, and the adoption of the much-debated Food Inspection Bill of 1906, were primarily due to the education and organisation of this powerful federation.

There can be no question but that the "business" man and the peasant proprietor have hitherto been the principal determinant forces in Swiss politics, and the careful and calculating character even of their most "radical" measures attests the importance of this influence.

How far will time and the growing industrialisation of Switzerland overthrow or diminish this "bourgeois" predominance? This interesting question is best approached by a consideration of the character which the proletarian revolt of the working classes under the title of "Socialism" has assumed in Switzerland.

The Grütli-Verein, to-day the chief socialistic organisation in Switzerland, has a long and interesting history behind it. It came into being in the late thirties, when the forces were gathering in all mid-European countries towards the revolution which culminated in 1848. Its origin and early purpose, however, were not definitely political, but educational and social, seeking "free mutual exchange of ideas, enlightenment, and instruction in general, and especially in national affairs." Its founders, chief amongst whom was Dr. Johann Niederer, a clergyman and a friend of Pestalozzi, and Albert Galeer, a Geneva professor and its first president, called themselves Grütlianner, because in Niederer's words, "I foresee that from this fraternal union of Swiss, without distinction of cantons, some grand results may one day spring, as once our free Switzerland from the Grütli."¹

¹ The famous meeting place of the representatives of the Forest Cantons in 1307 was Rutli.

After the war of the Sonderbund and the closer Federal Constitution of 1848, the Grütli-Verein, whose branches already spread through the chief towns, began to drift more towards political instruction and agitation, though still on an intellectual rather than a closely practical level. In 1849 its new statutes contained the statement, "The Grütli-Verein seeks in word and deed to support the free-thought movement in the fatherland."

It ranked in the early fifties as a free radical organisation with a definite bent towards "social" legislation in favour of the poorer classes of workers, one of its earliest efforts being a petition for a national grant of money to assist workingmen travelling in search of employment.

The international labour movement of the second half of the sixties, with its definitely socialistic teaching of Marx and Engels, and its trumpet-call, "Proletarians of all nations unite!" made, however, no great impression in Switzerland, which at that time possessed no large "proletariat." The attitude of the Grütli-Verein towards the famous "International" was one of benevolent neutrality. It had not yet come to realise its main function as being to fight capitalism by means of a state democracy. To many of its members the emancipation of the workers lay through non-political co-operation, and the Grütli-Verein threw its energies into various projects of self-help. Co-operative Stores at Zurich and elsewhere owed much to its efforts, and cheap eating houses, savings banks, and sick benefit societies were promoted by its branches.

In 1873 two new associations came into existence, one the People's Association (Volksverein), aiming at a democratic revision of the Federal Constitution, the other a Workers' Federation (Arbeiterbund) whose object was defined as being "the union of all labour societies in a federation with a view to an agreement upon means for the improvement of the worker's lot as a provisional measure, but ultimately for securing to them,

instead of wages, the full produce of their labour, by means of productive associations, and thus for the abolition of all class-domination."

The Grütli-Verein allied itself with both these movements and took an active part in the demand for the revision of the Federal Constitution in 1874. On socialism, in the shape of the new German propaganda, the society was divided, as indeed was every great radical organisation. But the socialistic faction soon gained the upper hand, as was indicated by the almost unanimous support given in 1874 to the proposal of a legal ten hours' working day. From this time the trend of the movement was steadily in the direction of social democracy. The revision of its programme, in 1874, laid down as its definite aims the development of political and social progress in Switzerland and "the promotion of the national consciousness on the basis of free-thinking democracy." These general phrases, however, found more distinct expression in 1878, when the Grütli-Verein gave its adhesion to the Congress held at Lucerne to the following "principles" of the "Social-Democratic Programme."

"I. The social-democratic party in Switzerland works for the maintenance and furtherance of the interests of the working people in every relation. It recognises that the liberation of the working classes must be achieved by the workers themselves.

II. The struggle for the liberation of the working class is no struggle for the predominance of a caste, but for equal rights and equal duties and for the abolition of class supremacy.

III. The economic dependence of the worker on the capitalist forms the chief basis of class supremacy, and therefore the social-democratic party aims at the supersession of the existing productive system (wage system) by co-operative labour."

It will be observed that there is in this statement of "social democracy" no allusion to state socialism or the use of political

machinery; its prophets still appear to have looked to private methods of co-operative labour for the salvation of the workers.

But this did not prevent them from lending powerful aid to the new factory legislation which was being pressed upon the federal government, and from offering a hearty support to the working class demands for a ten-hour day, the prohibition of the labour of children under fifteen years, and the limitation of women's labour to eight hours.

From that time onward, both in federal and cantonal politics, the Grütli-Verein has worked steadily and persistently for almost every one of the causes of democratic organisation and state socialism which have come up for settlement. The federal subvention of popular schools, the bank-note monopoly and the federal bank, the popular initiative for partial revision of the Constitution, the right to labour, the alcohol monopoly, the match monopoly, the nationalisation of railroads, reformed factory legislation, — on these and other issues the Grütli-ner have voted and worked for social progress.

They have taken an active part in promoting the public insurance policy, which still remains undecided, and in urging the cause of international agreement on labour legislation.

In canton and commune the Grütli-Verein have cordially co-operated with the other working class and democratic organisations.

“Juster taxation laws relieving the economically weak and placing the burden more upon the strong, the establishment of people's schools, the extension of technical and domestic instruction, the gratuitous provision of school apparatus, free burial, promotion of the care of public health, improvement of housing, bank and loan reforms favourable to small peasants and traders, public labour-information offices, statistical bureaux, trade arbitration courts, cantonal labour legislation and factory inspectorate — such are some of the wide circle of

cantonal and communal movements for which the Grütlianner and their confederates have laboured with excellent results.”¹

While becoming more political in recent years the Grütli-Verein has not relaxed its educational and social functions, and still co-operates through its branches with the consumers' co-operative societies and the other voluntary working class movements. Lectures and libraries play a large part in its life, and Zurich is the centre of its influential press.

The numbers of its members have varied in recent years from about eight to sixteen thousand, but through its numerous branches (278 in 1903) it exercises an influence far beyond that indicated by its numbers.

The exact political status of the Grütli-Verein is difficult to define, and perhaps is best described in the following passage from its official report of 1900:

“By means of its extension to a large number of places which are not closely touched by any organisation of a similar purpose, and in regard to its general position, the Grütli-Verein is designed to form the middle point of the social-democratic party. The party itself it cannot and ought not to be; the situation is already too far advanced for that, quite apart from the fact that a union cannot properly represent a party which is a popular movement.

But, everywhere, provided that they direct their Constitution as well as their educative and formative activities in consonance with modern needs, the Grütli sections can become the intellectual centre of the social-democratic party of their place, and in the small localities where, with this exception, no labour alliance or only a weak one exists, likewise the organising centre. In point of fact the Grütli sections already have in their hands the political guidance of the social democracy in many places, just as in central matters the general union has hitherto often taken

¹ *Leitfaden für die Sektionen und Mitglieder des Schweizer Grütli-Vereins* (Zurich, 1900), p. 33.

the part of initiator and chief worker for the politics of Swiss social democracy. In any case a social-democratic party, embracing all the social-democratic elements in the country, which in fact is wanted and ought to emerge in the early future, would be unthinkable apart from the Grütli-Verein as chief support of its organising basis."

During recent years the Verein has repeatedly worked in the ranks of the so-called "extreme left," marching in its front and uniting with its trusted leaders on the occasion of conferences about concrete questions of the day. The name "extreme left" indicates, as is stated in the 1898 Report, "No political party, but only the occasional co-operation of the different social democratic organisations and the East Swiss democracy, *i.e.*, that part of the democracy which does not adhere to the governmental free-thought or radical-democratic party for definite issues of federal policy. Nothing else was ever intended, or indeed could be intended, by the common action which manifests itself in occasional meetings of general commissions or selected persons in greater or less numbers. The 'extreme left' in the people corresponds approximately to the 'social political group' in Parliament, which also represents no definite political party."

It would hardly be possible for a political organisation to occupy this unattached position, and to do this work in any other country than Switzerland. Where party machinery is strongly formed, controls elections and moulds legislative policy, such a body would in self-defence be driven either to enroll itself with a radical or socialist party in Parliament, or to form itself into such a party, as the independent labour party has done in England. The "free" position of the Grütli-Verein as a political force is explained, partly by the comparatively slight importance attaching to parties in Swiss politics and the absence of sharp divisions between the parties. But another consideration arising directly from the nature of Swiss democracy is

more important. In America, or England, an organisation of citizens, desirous to secure legislative and administrative changes, when their policy assumes a practical shape, can only appeal to party. In Switzerland there is no such necessity. For the Grütli-Verein to convert the leaders or the rank and file of the radical party to some definite project which they espoused would not suffice to secure adoption; it could at most secure its discussion and its embodiment in a legal draft. The people would in any matter of debatable importance have to pronounce upon it. In order, then, to effect a practical adoption of any advanced measure, the Grütli-Verein must educate and organise public opinion among the mass of citizens. No amount of skill or success in wire-pulling at Berne could enable them to dispense with this work of general propaganda.

This necessity of looking to the education of the people, rather than to the manipulation of party machinery, vitally affects the organisation and methods of every reform movement in Switzerland. Whether the object be temperance legislation, public insurance, severance of church from state, popular initiative, direct election of executive, or any other measure where two or more strongly formed opinions or interests are involved, it is not enough for the supporters of a policy to secure pledges from elected representatives, or the admission of their proposal to a place upon a party platform, even if that party commands a strong majority in the Assembly. The majority of the voters in the country must be reached, a successful movement must therefore above all else agitate and educate, convince the understanding, and awaken enough feeling to drive the requisite majority of electors to the poll when this particular issue is submitted.

This explains why the socialism of Switzerland finds a less definite expression in party organisation than in other European countries. Where parliamentary institutions are dominant, the main efforts of practical socialists are necessarily directed

towards the candidature of their adherents in parliamentary and other elections; for they would be aware that a compact minority of socialists might come to hold the balance of power amongst the parties and might so force their will upon the legislation of the country. Swiss socialists could entertain no such hope; no strong socialistic measure could pass into law unless the actual majority of the voting public were at any rate *ad hoc* socialists.

These considerations forcibly express themselves in the constitution and methods of the social-democratic party formally enrolled after the labour day agitation of 1888. The following Political and Economic Programme adopted at the Olten Conference in 1891, and embodied in the manifesto of the new party in 1892, carries, alike in its positive claims and its omissions, the peculiar stamp of Swiss democracy:

POLITICAL PROGRAMME

- "1. Extension of democracy.
- "2. Extension of central government (Einheit Staates).
- "3. Gratuitous popular education and popular culture in the widest sense conformable to the conditions of modern science; confinement of all ecclesiastical activities to the private life of citizens.

"Economic Progress

"1. The successive nationalisation of commerce, communications, industry, agriculture, and trades monopolies and state (communal) functions. In conformity with the principle that the product, after abstracting the cost of production and a sum furnishing the contributions towards public objects (schools, administration of justice, care of the sick, aged, invalids, military, etc.) should be handed over as equally as possible to all the co-producers (mitwirkenden).

"For which purpose, the establishment of a standing com-

mission for economic legislation which shall settle all critical questions, find out the best methods and ways of carrying out the particular acts of nationalisation, and lay suitable proposals before the National Assembly. The members of the commission to be chosen by the people. They must be paid by the federal government and devote all their energies exclusively to this work.

“2. The right of all citizens to work must be expressed in the Constitution, and officials in administering it must see that every one according to his request obtains a sufficiently remunerative occupation in the service of the state, the commune, or voluntary private employer, as far as possible in accordance with his capacities.”

This general statement of policy differs, of course, very widely from that familiar in most social-democratic programmes. Though it opens with a general plea for “Socialisation,” the conclusion of section 1 and of section 2 in the economic programme seems to make it clear that not even as a pious ideal is the complete nationalisation of all the instruments of production, distribution, and exchange, and the supervision of all private or public enterprise, contemplated. For while the ending of the first section appears to point to a scheme of productive co-operation in which the “surplus” or “profit,” after defraying necessary charges, shall go to the particular group of workers, the latter section avowedly contemplates the survival of private business enterprise.

But this strangely qualified socialism is characteristic of Swiss democracy, alike in its disregard of theoretic finality, and in the absence of that emphasis upon the class struggle which from the first distinguished the formal social-democratic creed of Germany. The fact that so large a proportion of the common people still possess some stake in the land, or some hold upon a livelihood other than that obtained by the sale of their labour power to capitalist employers, shaped the early

expression of Swiss socialism on other lines than those of a mere class-war. The existence of so considerable a measure of actual socialism in the communal and cantonal institutions of the country naturally impelled the intelligent leaders of the new socialist movement to a formulation of actions and methods which should appeal to the principle of historic continuity, embodying alike the conservation of the socialistic institutions already existing and a development of a socialism in the federal government which should supplement the local socialism, and proceed experimentally, by the application of the referendum and initiative, for the public control and working of such functions as public opinion was ready to entrust to the federal government.

In a word, Swiss democracy inhibits revolution. Where each concrete proposal, either of constitutional or legal reform, requires the separate sanction of the people, there can be no possibility of rushing a large policy of socialism through a legislative assembly which contains a snatch majority of avowed socialists elected by a sudden swell of revolutionary feeling in the electorate, or in which a socialist-labour minority by skilful tactics compels a majority to execute its will. The practical and detailed working of Swiss democracy, obliging each step to be separately shaped and separately taken, imposes on the theoretic socialist an opportunism which his German and French confrères have been much slower to admit.

Not less important, as a check upon wasteful methods of reform, is the fact that the referendum furnishes a sharp indisputable test of the strength of popular opinion.

In England, France or Germany such an issue as "the right to public employment," or a "universal eight hours" scheme, may occupy the front place in the socialistic agitation for an indefinite period, because there is no means of ascertaining with any degree of accuracy how strong is the popular demand for such a measure. In Switzerland it is competent

either for the friends or the enemies of such a scheme to demand and obtain that it shall be submitted to a quantitative expression of popular judgment; if this test discloses the fact that a strong majority is opposed to the measure, its advocates recognise the futility and waste of progressive energy involved in pressing it further for the present, and relegate it to the list of reforms which require more popular education before it is ripe for practical politics. Thus the "Right to Labour" was brought to the test by the Grütli-Verein and the Labour Union in 1894, and was rejected by a popular vote of 308,289 against 75,880. The result of such a vote is to divert the emphasis and energy of the advanced sections from a measure which, however desirable in itself, has evidently no early chance of acceptance, to other measures which may be urged with more chance of success.

Such enforced opportunism is one characteristic of Swiss socialism. The other, as one saw from the early programme, was the formulation of socialism on general grounds of social expediency rather than on the basis of a class struggle.

Of course the economic weakness of the wage-earner under the system of capitalistic employment received early emphasis, but the bitterness of the "conflict" was abated partly by the fact that the capitalistic system was less prevalent in Switzerland than in other European countries, partly by a clinging faith to the attainment of economic liberty for the workers by means of voluntary co-operative associations which should be independent of state aid for their constitution or their finance.

But while compromise and opportunism must remain strongly embedded in any extreme left-wing policy, Swiss socialism during recent years shows signs of increased class consciousness, and evolves more and more along the lines of the proletarian struggle. The impelling factor in this change is, of course, the growing industrialisation of large sections of the Swiss population. Here, as in all other advanced countries,

the towns are absorbing an ever increasing share of the population, and in the towns the larger forms of manufacture and commerce, involving great capitalistic organisation, play a rôle of growing importance. The last census of occupations shows agriculture displaced from its primacy, the number both of men and women engaged in the manufacturing industries considerably exceeding the farming population.

	OCCUPATIONS	
	Male	Female
Extractive industry (Agriculture, mining, forestry, etc.)	405,159	80,215
Manufacture	435,142	224,782
Commerce	69,414	54,536
Transport	52,327	3,549
Professions and public offices	44,219	22,543
Personal service, etc.	3,165	9,161
	1,009,426	394,786

Among the manufacturing, commercial, and transport employments a diminishing proportion of the persons are employed in business of their own. The large textile factories, iron and machine works, chocolate and brewing industries, and the great hotel-keeping industry, not to mention the ever-expanding railroad industry, find employment for a larger and larger number of workers. A certain number of these no doubt retain a hold upon the commune of their origin, which secures them some measure of support for old age and other emergencies. But the great majority of those of Swiss origin and the foreign workers, who form a considerable portion of the whole body, have no support or supplement to their status of wage-labourer; their livelihood is exposed to all the fluctuations of

the competitive system of industry, and to the superior bargaining power enjoyed by employers in the determination of wages and other conditions of labour.

The recent growth of this large proletariat brings the labour and socialist movements of Switzerland more closely into line with those of other industrial nations. This is recognised both by the Grütli-Verein and by the labour party, and has led to the formation of a definitely socialist political party, based upon working-class interest, and seeking to advance the conditions of the workers through the machinery of government.

The following defence of its primary aims is presented by one of its most prominent leaders, Councillor E. Wüllschlegel of Bâle:

“The opponents of an independent labour policy are fond of casting in its teeth the charges that it proclaims class-war and is unpatriotic in its practices. Nothing could be more unjust. The class-war is a fact and in no wise a property peculiar to labour politics. It is mirrored constantly in the every-day clashes of interests, and is carried on quite as ruthlessly, if not more ruthlessly, by the groups of interests that are opposed to labour. The charge of unpatriotism is particularly humorous coming from the mouths of those who, paying exclusive regard to their private interests, allow themselves to be restrained by no patriotic considerations from damaging the conditions of labour of Swiss workers through the introduction of foreign workers, and the preparation of ruinous competition for internal industries through the establishment of factories in foreign lands with Swiss capital.

“Moreover the Swiss labour movement has never renounced nationalism in thought and feeling, nor will it do so in the future. Against improper demands of foreign monarchies, to whom the Swiss Republic with her liberal institutions and her right of asylum is a thorn in the side, it has indeed more than any other class upheld the republican ideal. The Swiss labour-

movement certainly recognises international duties and aims, as well as local and national ones. In a state which concludes international conventions and is proud of harbouring international bureaus supported by foreign governments, that can surely be no justifiable imputation. Moreover, the whole trend of modern intercourse drives towards increased regulation of international relations and interests. Hitherto such regulations have been formed with the smallest amount of consideration for working folk, though these surely have a claim to participate in the light as well as the dark side of the growing internationalism. The further-sighted opponents of the social-democratic labour movement have, in fact, recognised that right in the form of a demand for international labour legislation. Moreover, the national and international conventions of the labour movement constitute also an admirable schooling in the subordination of separate interests under a common higher interest, which manifests not only economic and social-political but likewise democratic and ethical proclivities.

"It makes for the break-down of the contrast between educated and ignorant workers which causes so much social mischief, and the removal of the short-sighted opposition to technical progress, which, for example, reduces the middle class handicraft movement to such a low level; in a word, to place the working classes on a higher status, and as a consequence also to widen their outlook as regards the needs of the whole community.

"It is precisely that intensive systematic handling of politics, from which many think that the workers ought to abstain, that enables labour to guard against the worst outgrowths of egoism and sectarian narrowness. The social-democratic labour movement conducted from higher standpoints is thus an element of genuine Statecraft in the true sense of that term."

How far the practice of the Swiss socialist labour movement conforms to the high principles here set forth may possibly be matter for dispute.

But it is interesting to observe that Swiss socialism, even when entering the era of distinct class consciousness and class struggle, still remains, at any rate in the minds of some of its representatives, less intransigent than the movement in neighbouring countries, retaining a spirit of moderation and of opportunism imposed upon it by the existence of democratic institutions more advanced than those which exist elsewhere.

When we turn from theoretic to practical considerations, and ask what are the political proposals which this socialist-labour party put in the front of their federal programme, we find ourselves moving rather in an atmosphere of modern social radicalism than of formal socialism. For the measures which Herr Wüllschlegel names as the next aim, are public insurance against accident and sickness, a shorter working-day for manufactures and transport trades, the unification of civil and criminal law, improved regulation of labour-contracts, and a reduction of the tariff on necessities of life.

Switzerland, of course, possesses groups of socialists more pronounced in their economic theory and more "revolutionary" in their methods than the social-democratic party. Large numbers of foreign workmen, especially Germans, are found in Zurich, Schaffhausen, Bâle and other manufacturing districts, some of them refugees from foreign oppressive governments, and many of them inured to the thought and feeling of the more rigorous social-democracy of Germany.

To these the nationalism, the militarism, the protective fiscal system, the large regard for rights of private property and private enterprise, which stamp the actual democracy of Switzerland, are, of course, anathema; nor do they regard with much favour the co-operative and other voluntary movements which thrive in many of the cantons.

It is to these more especially that Switzerland appears as a bourgeois democracy, formed by the desires and ideals of the little land-owner and the little business man, and destitute of

any large conception of an economic commonwealth. Socialistic measures may be taken by such a people, but they do not make for a genuinely socialistic state. The little farmer and trader favour nationalisation of railroads because they want cheap rates and extended facilities for their goods; they support public subsidies for technical instruction in order to furnish a good supply of cheap skilled labour; federal and state banking represents the kick of the ordinary manufacturer, trader, and farmer against the rich financiers of Geneva and Berne; and the alcohol monopoly is to be interpreted primarily as a measure giving preference to domestic over foreign drinks.

In other words, they deny the reality of Swiss democracy regarded as the expression in government of the "general will," ascribing the really determinate and formative influence to the class interest of particular industries or groups of industries coercing or cajoling the people to vote as they want.

There is just enough plausibility in this representation to make it worth while raising the question whether the democratic institutions of Switzerland will enable that country ultimately to escape the serious situation which exists not only in despotic or oligarchic nations but in nations where democracy resides in the play of representative government. Will the referendum, the initiative and the other forms of direct popular control be proof against the manipulation of the powerful economic interests, or will the latter be enabled by skilful use of the press, the schools, and other instruments of intellectual influence, to make the "people" vote as they desire and require? Pessimist critics of Swiss institutions are not wanting who predict that democratic methods accommodated to the simple stable life of a sparse rural population living in communes and small cantons will prove impracticable for the fuller and more complex life of a centralised and populous national state. When, on the one hand, powerful and wealthy groups of capitalists control the developed manufacture, commerce, and

finance, while, on the other hand, politics exert an ever increasing influence upon business operations, will it be possible to prevent business men from dominating politics? Here, as elsewhere, it will be to the interest of the propertied and *entrepreneur* classes to defend the "rights" of property and the liberty to manage their own businesses their own way against "interfering" labour legislation or "confiscating" methods of taxation; here, as elsewhere, the judicious manipulation of a tariff may be of inestimable value to trades with a "pull"; the development of public expenditure everywhere means remunerative contracts and lucrative or influential offices; as economic inequality grows wider, plutocratic standards of life and morals will exert their corrupting influence. This will mean, either the withdrawal from the referendum of an increasing number of important issues, on grounds of urgency or unsuitability for popular determination, or else the contrivance of arts of political management especially adapted to the conditions of Swiss democracy, which shall enable the financier and the "boss" to procure the formal registration of the popular will at the polls.

If the people in America and elsewhere can be jockeyed or bamboozled into electing "representatives" who are not really their "choice" but the nominees of the party managers and ultimately of the trusts which finance the parties, will not the same power be exerted in Switzerland to induce the people to accept or reject legislative measures according to the dictates of interested factions? Will the difference in democratic forms in Switzerland furnish an efficacious prophylactic against a disease which appears in every other advanced democratic nation?

Such are the doubts and dismal prophecies which do not lack expression, especially among persons whose culture and refinement is offended and even shocked at the dominance of materialistic motives which they seem to see in the modern

political development. The Centralist, who favours a powerful nationality, and is annoyed at the wasteful concessions made to the obstinate cantonal sectarianism; the Federalist, who is filled with apprehensions at the strong suckage of the Bund; the Peace man, who desponds before the steady support given to universal military service by the people; the Free Trader, who sees that every progressive measure is attended by protective doles, — such men are sometimes filled with dismal forebodings as to the abiding success of Swiss democracy or the maintenance of such liberty and purity as it possesses now.

Nor can any impartial political student regarding Swiss institutions from without ignore these perils. If capitalism, manufacturing, commercial, and financial, follows in Switzerland the same lines of development, proceeding as far and as fast as in America, Great Britain, or Germany, it is difficult to conceive that the democracy of that country can wholly escape the poison and corruption which economic parasitism naturally, that is to say historically, engenders. Granting the existence of capitalistic combinations relatively as strong as those which control the finance, the transport, and the great manufacturing industries of the United States, and animated by similarly selfish interests, it would be manifestly unsafe to assume that the spirit of liberty, equality, and local self-government, which have been so signally exhibited in the history of Switzerland, would successfully resist the capitalist thralldom.

Assuming the existence of powerful business corporations controlling the most valuable sources of raw materials, the forests, the water power, the great electric industries, the railroads, the banking and insurance trade, and the remunerative city services, it seems probable enough that they would distort or mutilate the political institutions, so as to control them and adapt them to their business purposes.

In such an event the class war in Switzerland would assimilate to that of other countries in Europe or America, breeding a

socialism which, in the last resort, may turn to revolutionary measures to overthrow a despotic rule for which there seems no constitutionally feasible remedy.

But the safeguard of Switzerland seems to rest in the fact that some of these assumptions are unwarranted. The reason why the socialism of Switzerland is less militant, milder, and more opportunist than elsewhere, is that neither economically nor politically is capitalism possessed of half the strength that it exhibits in the other industrial countries. Partly by the survival and development of older communal and cantonal public enterprise, partly by the growth of a considerable measure of federal socialism before private capitalism had gathered great strength, the people of Switzerland are already strongly entrenched in many of the economic out-posts which, in America and other countries, are powerful fortresses of private monopoly. The railroads, the sole method of transport over most of the country, are already in the hands of the federal government; there are no coal and iron mines whose possession may form a strong pillar of capitalism; the forests are for the most part communal, cantonal or intercantonal properties. The water power is seldom left to uncontrolled private enterprise; the more advanced municipalities not only own most of their street railways, gas, water, telephones, and electric plant, but are the purveyors of electric energy to private industry; the communes, the cantons, and the federal government altogether do a large proportion of the banking and insurance business, and are extending their hold over these financial functions; the liquor trade, which in Great Britain and in certain parts of America is a source of deep political corruption, is in part owned, in large measure controlled, by government.

Unless private capitalism can win back all or most of these public functions, it does not seem possible that it can attain the dangerous power it possesses in those countries where it has enjoyed a free career of exploitation. To the checks named

above must be added the hold which a large proportion of the working people still possess upon the land. Capitalism in Switzerland is thus deprived of some of the main conditions of growth. To suppose that the iron masters, chocolate manufacturers, bankers, hotel keepers, and other capitalists can exercise in Swiss political institutions a power comparable to that which they wield in the United States, Great Britain, or Germany, would be preposterous. Yet, if they are to use politics for private business ends in Switzerland, they must be accredited with greater power than in other countries, because direct democracy is necessarily more difficult to "manage" than representative assemblies where party machinery can be manipulated and lubricated easily.

Revolutionary socialism has no hold in Switzerland for it finds no fuel there. If there is a country in the world where revolutionary socialism would be stamped out as an insurance company stamps out fire, it is Switzerland, the country of small properties and industries.

Switzerland is an instance of a country, and we might almost say of a civilisation, which has escaped the most bewildering of the modern currents. Its people have not been led off into the pursuit of fabulous wealth, like the Swiss and other peoples in America. There are many Swiss in America, but they show there the same characteristics as the other people of America. The Swiss in Switzerland and in America are two entirely different animals politically. It is a matter of environment. The English and others who are so prone to show their superiority to us by lecturing us on our "corruption" did precisely the same things when they came to America to live.

Switzerland is of supreme importance to the student of politics and economics, because it is an instance of an orderly and normal development of a people of our race, with institutions practically identical with ours at the beginning.

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Switzerland tells us how our race evolves when not overcome by monopoly. New Zealand tells us how it behaves when bound hand and foot by the monopoly. From the two many of the lessons of the immediate future can be learned. If the Western World is not to sink into the helpless stratification of existence which makes the oriental civilisation so intolerable to us, we must learn these lessons and apply them.

CHAPTER XIV

EFFECTS OF THE REFERENDUM AND INITIATIVE

WHAT light does the modern experience of Switzerland shed upon the root problems of democracy as they present themselves in other countries that have committed themselves to the broad road of popular self-government? Most of these countries have set themselves to the elaboration of representative institutions through which the popular will may operate, tempered, guided, and informed by the superior knowledge and discretion of elected persons who shall exercise a finally determinant voice in all important acts of government. The underlying supposition of representative democracy is that the people are neither able nor willing to give the requisite time and trouble to weigh the merits of concrete acts of policy, often intricate and far-reaching in their probable effects, but that they are able and willing to appoint from amongst them persons competent to consider and give judgment on their behalf, choosing these persons not with reference to their fitness for determining any one of several known issues, but for some general capacity applicable to the whole range of government that falls within the scope of their office.

The variety and intricacy of governmental functions in a large modern community have given the appearance of necessity to this method of procedure, at any rate with regard to all public matters which are, by reason of the area they cover or their specialism, removed from the experience of the ordinary citizen. Only certain simple issues of the ward, the

precinct, or in some instances the city, fall sufficiently within the cognisance of the mass of citizens for them to be safely entrusted with their decision, and even there the tendency to hand them over either to elected bodies or to expert officials who know better than the common people what is good for them is very strong. As the social horizon for the ordinary person continually widens, exposing him as man, worker, and citizen to an increasing number of important forces that play over the area of the state or the nation, the proportion of public issues that lie under his immediate attention is smaller. The politics of the street, the ward, the village, become relatively less important; the politics of the state, the nation, the world, more important. This appears, both by the growing complexity it imparts to politics and by the increased centralisation of government, to compel the citizen to depend more and more upon the judgment of representatives, and less and less upon his own judgment, so far as concrete acts of government are concerned.

This reticulation of representative institutions has, however, not so far fulfilled the sanguine expectations of its theoretic advocates. Its complexity and the indirectness of its working have lent themselves to grave abuses, and in that country where the machinery of representation has been most logically constructed as an instrument for the expression of the popular will, the abuses are the greatest. The organisation of the party which seems essential to "representative systems" has led in the United States and elsewhere to the construction of party "machines" so strong and so ably operated that instead of the will of the people flowing freely upwards by processes of delegation and election, and finding expression in policies determined by men who are the genuine choice of the people, the will of the machine politicians is pumped down the machine to the very bottom of the representative system, the primary or ward meeting, and comes up again with the falsely formal

stamp of the people's will upon it. Nor is this the worst. For the machine politician, great or small, hires out the machine to the highest bidder, and those organised business interests which have most to fear from the free, intelligent expression of the popular will, and therefore most to gain by its suppression or reversal, buy the machine, and secure that their creatures shall be the chosen representatives and that their will shall receive the popular endorsement. When the people finds out that it has been betrayed, it is angry; but often it does not find out at all, or when it does find out it is too late. Besides, as a rule it has no remedy except through the very channels of machine politics by which the betrayal has been effected. The interest and the will of the people are those of a multitude of scattered amateurs confronting the interest and the will of close corporations of professional experts. How can the former secure and hold the control of the machine? So far as powerful capitalist bodies exist, founded upon or sustained by legal privileges in the shape of charters, tariffs, or illegal privileges, so long as lucrative offices are available for party spoils, so long as public expenditure can be made a source of private profit through contracts, loans, and development schemes, this skilled manipulation of the representative machinery will continue. The extent of the poisoning of the popular will and the particular acts of corruption and distortion employed will vary with the local conditions. In some states the crudest forms of monetary bribery are used, in others subtler arts of influence: but the strong business politicians, who know what they want and mean to get it, fit their methods to the human material they are handling.

We need not exaggerate these notorious diseases of the representative system. The failure is of course relative, not absolute, the popular will is not impotent, nor are the boss and his paymaster omnipotent in the machine: at any given time there exist known though changing limits to the management

of representation, and any transgression beyond those limits is apt to arouse a ground-swell of popular indignation which throws over the machine and lifts into power, or at any rate to office, men who are the genuine representatives of popular feeling. The people must always be humoured, they must be cajoled rather than coerced, and there are necessary limits to the practise of deception, the chief of which consists in the probability of being found out.

The only democracy in the world which cannot be betrayed is the Swiss. Even the New Zealand democracy with its representative system may find its strongest wishes disregarded, its best interests sacrificed by the factions or folly of its parliament. But this is impossible in Switzerland. There the people may force into legislation any law they want: they may prevent any act they do not want.

In New Zealand the Parliament may be elected on one issue and find itself called on to legislate upon another without knowing in the least what the people would want.

In a few nations the coarser corruption is absent, but on the whole the history of recent attempts of the people in popularly governed countries to redress the enormities that exist in regard to the distribution of economic opportunities, and to defend themselves against new dangerous forms of exploitation connected with the financial and industrial capitalism, points a lesson of definite and dismal failure for representative government.

This is sometimes admitted, but with the proviso that the lesson to be drawn is not that the representative government is a worse method than direct government, but that no form of democracy can be effective until the mass of the people is raised to a higher general level of intelligence, honesty, and public spirit. But, granting this general proposition, the question still remains whether direct government may not be less ineffective than representative, or whether some combina-

tion of the two may not be directly instrumental in raising those very qualities of intelligence, honesty, and public spirit that are desiderated.

Let us then return to our question, "What light does Swiss experience shed upon this darkness?"

During the last generation, as we have seen, there has been a steady and general tendency, both in the central and local governments, to displace the representative power by the direct popular vote.

The rule is that a definite sanction by a vote of the majority of citizens must be given to important acts of legislation or administration, so that appointment of officials by direct vote of the people displaces appointment by elected bodies.

How far this process of direct government has been carried may be best expressed in the following summary by M. Emil Frey:

"To-day nine cantons possess the obligatory referendum, eight the facultative, and six the Landsgemeinde, while only two cantons, Freiburg and Valais, have stood by the representative system. Changes in the cantonal constitutions require, in conformity with the Federal Constitution, the sanction of a majority of the people of the canton. Alterations in the Federal Constitution are subject to the ratification of the people and the cantons. The so-styled initiative has been introduced in ten cantons; besides the six cantons with Landsgemeinde it is absent from three cantons, Schwyz, Freiburg, and Valais. In the federation the initiative is applicable only to constitutional changes.

"In twenty-two cantons the people elect the executive; only in the cantons Freiburg, Vaud, and Valais is the appointment still vested in the hands of the Great Council. The members of the Legislature in all cantons are elected by the people, likewise the members of the Swiss National Council. In nineteen cantons the representatives for the State Council

are also elected by the people; in the cantons Berne, Freiburg, St. Gall, Vaud, Valais, and Neufchâtel the appointment for the State Council is vested in the Great Councils.

"In conclusion, besides the communal officials, the lower judicial officers in twenty-two cantons are directly appointed by the people, while in Zug and Neufchâtel they are elected by the Great Councils, in Freiburg by the cantonal bench.

"Thus in the overwhelming majority of the cantons and in the Confederation, the legislation and, with the exception of the Federal Council and the highest judicial officers, the election of the most important executive officers, are entrusted to the people."

Nor is this movement towards pure democracy yet ended. Although, as we have already seen, the formulated initiative for partial changes in the Federal Constitution, secured in 1891, has placed in the hands of the people a large though undefined power of initiating what are in fact legislative changes, the limitations and delays imposed by this method have evoked a vigorous agitation for a direct legislative initiative. The recent action of the canton of Zurich in introducing a practical proposal to the Federal Assembly has now forced the question into the immediate foreground of politics, and it seems likely that before long this further step in the logic of direct popular government will be taken.

One further step is advocated by the extreme democrats as necessary to complete the legislative control of the people, the substitution of a compulsory for a permissive referendum in the case of federal laws.

"Under a democratic system," argued Gengel, an early advocate of this position, "all the laws passed by the Chamber ought to be submitted *ipso jure* to the sanction of the people. When the representatives know that the laws will finally go to the people, they will make it their business to frame them in harmony with popular ideas and needs, and will try to supply

the omissions. Having the final decision in their hands, the people will make a careful study of the laws. With the compulsory referendum the people will give their votes as a matter of course, whereas in the case of the optional referendum they will only do so after a certain amount of agitation. The optional referendum is a weapon of opposition. It can only reject. The compulsory referendum, on the contrary, is the means of expressing the popular will and ratifying the acts of those in power.”¹

But there is no strong popular feeling behind this view, which is rather that of the theorist than of the practical politician. In point of fact, it is doubtful whether the real control of the people would not rather be diminished than increased by making the referendum compulsory. The formal ratification of laws passed by the Assembly affords no increase of popular legislative power; the referendum, whether compulsory or facultative, acts entirely by rejection. Now the actual power of rejection is not enhanced by obliging the people to pass on every law, instead of selecting the particular laws upon which they wish to test the national will. On the contrary, if every law went to the people as a matter of course, the agitation or education requisite to promote discussion of a dubious measure,

¹ *Die Erweiterung des Volksrechts* (quoted Deploige, p. 97).

The fact that in most of the cantons where the referendum is compulsory for cantonal laws a much larger proportion of rejections is recorded than in the case of federal laws, is not conclusive evidence that the intelligent will of the people is more effective. As a rule the opposition to a law is more strongly felt than the approval; frequently it tends to represent a definite and perhaps an organised interest that deems itself assailed. Where every law is formally submitted to the people, it will be a more difficult task to rally the supporters to the poll than the opponents. Moreover, whatever elements of pique, general discontent, or other irrational emotions, exist in the popular mind, will be apt to find their vent in a blind wrecking policy which is not in any proper sense an expression of “the general will.” For its effective operation the referendum seems to require a sufficient interval for deliberation and education, and must not be so frequent as to preclude reasonable consideration of the merits of each law.

and perhaps to secure its "veto," would be far less effective, causing laws which the people would at present reject to "pass in the crowd," or else enabling popular caprice or a small snatch vote to cause rejection. An optional referendum, enabling the people to focus their attention and judgment upon controversial, while ignoring non-controversial, acts, seems really to give them more control.

The case for the initiative is very different. However seldom used, the initiative does enlarge the actual liberty of the people, furnished the positive legislative power which the referendum, whether facultative or compulsory, lacks. Without the initiative or with an initiative only for constitutional amendments, the validity of whose application is determined by the Assembly, the strongest desire of the people for legislative change may remain impotent, unless a recent election of the Assembly has given definite expression of this desire.

The demand for a federal initiative is therefore an inevitable supplement to the referendum in the historical evolution of Swiss democracy.

Pari passu with this agitation has proceeded a demand for direct popular election of the Federal Executive Council (Bundesrath), at present elected by the lower house of the federal Legislature.

The strong and serious advocacy of these latest steps by responsible statesmen supports the conviction that Swiss democracy in its modern development is successful and confident.

But is this success genuine, and this confidence justified? Does it work for progress?

Before endeavouring to answer these questions it is necessary once more to emphasise the character of the movement. In general terms it implies the subordination of representatives to direct government in the sense that the sovereignty of the people is realised and expressed in determinant single acts of

government. Representative institutions are not destroyed, but are made supplementary to the direct action of the popular will, their functions being to relieve the people of a burden of practical governmental business too heavy for them to bear, to assist the will of the people to obtain adequate expression by providing fuller discussion and advice, and finally to form a substitute for the people in matters of emergency and in such matters of finance as, from their intricate and special nature, are incapable of being dealt with by popular vote.

That it does not belong to the logic of the movement to dispense with representative government is attested by the efforts made to improve the method of representation so as to make these elected bodies better reflections of popular opinion and desire.

This movement has not merely been contemporaneous with the tendency towards direct government, but has been organically associated with it. The same leaders, the same popular sentiments as favour the referendum and initiative, have supported the system of proportionate representation which is making way in the cantons. Those who desire to destroy an institution do not set about to strengthen it. Swiss democracy establishes a new harmony in the relations between representative and direct government, a new division of functions, and the fact that a growing number of determinant powers are assigned to the latter does not warrant the assumption that the former is marked for extinction or that it can fail to continue to occupy an important place in the fabric of Swiss government.¹

¹ The agitation for minority representation through some system of Proportion began in the middle of last century, but the first application of the principle was reserved for a case of grave political perplexity. The gerrymandering in the canton of Ticino, by which a party minority but little inferior to the majority in number was kept in permanent political impotence, had led to a violent revolution only allayed by interference of the federal government. Under these circumstances the first experiment in proportional representation was

When the proposal to endow the people with the power of initiating and passing any law which they approve, and of exercising an effective veto over the actions of their representatives, first presents itself to ordinary sober citizens it is often regarded as "revolutionary." The "people," it appears, cannot safely be entrusted with the direct personal exercise of so much power. The "people" has not the time, the ability, or the inclination to study and determine concrete laws and other acts of polity, and ought to leave to those expert advisers, whom it has chosen, the right freely to determine the legislative forms in which this polity shall be expressed. The ordinary citizen is more fitted to select persons of political wisdom than to determine whether any particular political act is wise.

If a people is enabled to pass any law it chooses without any let or hindrance, or to veto any law which the judgment of its competent advisers has approved, a spasm of popular excitement, fear, anger, or cupidity may induce sudden and

introduced. The curative success here achieved naturally "boomed" the remedy, and now five cantons, Ticino, Neuchâtel, Geneva, Zug, Solothurn, with several of the larger municipalities, including Berne and Bâle, have, adopted it. The form, differing in details in the various instances, is everywhere substantially the same. Nomination of candidates takes place on party or group tickets, each elector has as many votes as there are vacancies and may either vote a party ticket or make one for himself out of the various tickets. There is no cumulative voting for one or several candidates, but if a voter does not mark the full number of choices, the balance goes to the ticket as a whole under which he registers.

It is in the counting of the votes that the idea of proportion is put into effect. The board of election first determines how many valid votes have been cast, then how many for each ticket or party, and how many for each candidate. The whole number of votes is then divided by the number of vacancies to be filled in order to find the so-called "electoral gradient." The number of votes given for each ticket is then divided by the electoral gradient to show how many representatives are elected from each. Every group has a right to as many delegates as the gradient is contained times in its vote. If a party does not receive enough votes to equal this division, it has no representative. (Vincent, p. 78.)

irrevocable actions involving the honour, the safety, the very existence of the Commonwealth.

For the effect of the referendum, accompanied by the initiative, is not merely to substitute direct for representative government, but to remove the check of a second legislative chamber. A single judgment of the people, or, where the initiative is used, a repeated judgment of the same people, makes or unmakes legislation.

To those brought up on the classical phraseology of the "fickle multitude" lashed to fury by a "demagogue," dupe to the "panacea" of any glib-tongued legislative charlatan, intoxicated with the sense of power and eager to use it for levelling purposes, the experiment may well seem dangerous.

Persons indoctrinated with the theory of agitation which finds favour in conservative quarters in America and Great Britain, by which unscrupulous politicians can sow grievances, generate popular discontent, stimulate unjust or impracticable remedies, trading on the ignorance and excitability of "the mob," may be recommended to compare this theory with the facts as illustrated in Swiss history.

Among Swiss statesmen, officials, and political students there is a widely held opinion that the referendum and the initiative work out "conservatively." This view, when examined, does not mean that progress is thereby retarded, but simply that the people do not "rush their gates." This distinction deserves further elucidation. A certain school of advanced radicals opposed the referendum movement in Switzerland, as they oppose it elsewhere, on two grounds. First, that, upon the whole, representatives more intelligent, and devoting themselves more closely to practical politics, would be able and willing to devise, draft, and carry through progressive legislation somewhat in advance of the conscious wishes of the electorate. Secondly, an objection closely related to the other, that the mass-mind is conservative in the sense that it

will reject a measure, nine tenths of which it approves on account of the other tenth which it disapproves. Since the referendum must be exercised in an affirmative or negative judgment on a complete draft of a law, a collection of minor discontents is liable to cause a rejection of a measure the main provisions of which the majority really approves. This objection rests on the supposition that the dislikes of the average man are more effective than his likes.

Now the experience of Switzerland appears to give some measure of support to both these objections. One thing is quite certain, viz., that the "referendum" has not favoured "hasty" legislation. The great progressive measures securing large new functions for the federal government, the factory legislation, the nationalisation of railroads, of the alcohol monopoly, and the national bank, etc., ripened in the legislative assembly earlier than in the country; many of these laws, or the constitutional amendments enabling them, were rejected once or more by the people. In none of these cases can it be pretended that the people acted in a hurry, or sought to curtail the elaborate processes of inquiry and discussion which in every instance preceded the drafting and passing of the law in the representative assemblies. Most measures obtained the assent of one or both legislature assemblies long before they were put into a form acceptable to the people.

To this must be added the admission that several important measures of a progressive or a socialistic character, such as the match monopoly, the right to public employment and the compulsory insurance law, have been rejected and have not yet found popular acceptance, though in two of these instances the representative chambers endorsed the proposal.

Generalising from these and other instances where the representative assemblies appear more advanced than the people, critics have made out a *prima facie* case against the referendum regarded as an instrument of popular progress.

But such a judgment is based on a superficial interpretation of the facts.

The action of the people through the referendum is sometimes represented as distinctively obstructive, because in a large proportion of instances when a proposal is put to them they have rejected it. From the time of the adoption of the Federal Constitution, in 1874, up to June, 1906, the referendum has been used twenty-nine times for laws and resolutions, and eighteen times for constitutional amendments. Of the 29 laws they have accepted 10 and rejected 19; of the 18 constitutional amendments they have accepted 12 and rejected 6. Besides this, since 1891, there have been six votings on initiative demands, only one of which was accepted.

The total number of votings upon concrete legislative proposals thus amounts to 53, and of these 30 were rejected, 23 accepted. Even thus regarded the preponderance of rejection is not very great; it cannot be said that the popular vote is a definitely destructive weapon. Still less do the facts admit this interpretation when looked at more closely. It will be observed, first, that the people appears much more favourably inclined towards constitutional amendments than towards laws, though most of the amendments were really preliminary towards the passing of some law which previously lay outside the legislative competence of the federation.

Of these amendments twice as many were accepted as rejected. This is susceptible of two explanations. In the first place it is doubtless easier to get the assent of the people to a principle than to the particular law devised to embody that principle. So, for instance, the same people that had bestowed upon the federal government the right to legislate on a national accident and sick insurance scheme rejects the particular scheme when it is presented in a draft law. A constitutional amendment generally adds a new function to the government, but the particular exercise of that function may quite reasonably be unpopular.

But there is another explanation of the discrepancy in the proportion of acceptances and rejections among laws and constitutional amendments respectively. The referendum in the latter is obligatory, but in the former facultative.

This means, of course, that only those laws and decrees are submitted to a referendum which have evoked the opposition of a substantial body of citizens who conceive it possible that they may win the majority of the electorate to their view.

It is evident that this consideration completely disposes of the notion that the people is proved to be hostile to progressive legislation by the fact that they reject more laws than they accept. Of course they do, for only those laws which are likely to be rejected are put to the vote. In point of fact, since 1874 no less than 246 laws and resolutions have been passed by the Federal Assembly, all of which might have been put to the people, if the opposition to them had been strong enough to secure the qualifying number for the demand, and keen enough to press it to a vote. Where no referendum was demanded it must be assumed that the people silently endorsed the act of their Federal Legislature, and that out of the total number of 246 laws and resolutions only 19 met with their disapproval.

The initiative has certainly not proved so far a very serviceable tool, the only case where it has been successfully evoked being the least creditable legislative action of the Swiss democracy in recent years, viz., the passing of the famous "slaughter-house" article drafted under the influence of an anti-Semitic agitation.

It seems unlikely that the formulated initiative, either for a constitutional amendment or for a law, would be put to frequent use, for if a "cause" is strong enough to advance by this legislative path, it is unlikely to be so destitute of friends inside the Assembly that it cannot obtain attention in the ordinary way.

The referendum is essentially a veto, and it is therefore foolish to argue that it is conservative or destructive because, in

a majority of instances where it is invoked, it causes rejection.

Moreover, the charge of being an anti-progressive instrument weakens before a close scrutiny into the chief instances where it appears to have been used as a means of defeating a presumably "progressive" measure. Several of the rejections are based upon the natural and not unreasonable fear lest the central government should undertake functions which might be better left to the cantons. This state-right feeling led the people in 1874 to reject the law transferring the determination of the Swiss franchise from the sovereignty of the cantons to that of the federation (though on the same day when this law was rejected they accepted a law federalising the law of marriage and divorce), and the same feeling was admittedly responsible in high degree for the recent rejection of the insurance law.

The promoters of federal socialism have indeed sustained several severe disappointments. The rejection of the initiative for a constitutional amendment for legislation in The Right to Labour (1894), and of the attempt to establish a Federal Match Monopoly are often adduced as evidence of the conservative working of the popular vote. But both these "reforms" were of dubious value, and a variety of causes co-operated for their defeat.

The same is true also of the rejection by a small majority of the Small Workshops Law in 1894, a proposal to extend the area of federal factory legislation. In all these cases the states-right feeling, and the accompanying distrust of central bureaucracy, played a considerable part.

In some instances the popular vote has stopped an undoubtedly retrogressive and injurious law. An example of this is afforded by the Spoils Campaign, as it was called, of 1894, in which a law was launched by popular initiative to compel the federal government to distribute a portion of the tariff

revenue among the cantons at two francs per head. Here was an attempt of the cantons to turn the table of centralisation, and to rifle the resources of the federation for the purposes of keeping down local taxation. The good sense of the people repelled the temptation, for when the measure came to the referendum it was lost by an overwhelming majority.

There are, however, a few instances in which sound measures have been denied or delayed, and unsound measures affirmed by the popular vote. It would indeed be strange if this or any other instrument of government worked with perfect wisdom and justice. Religious narrowness and a certain meanness in money matters are characteristic defects of the peasant and the petit bourgeois. To these defects may be attributed the reactionary Slaughter-House Law, the rejection of the vote for Foreign Legations, and perhaps that of the Compulsory Vaccination Law. But the endorsement of undeniably reactionary acts and the refusal of undeniably progressive acts have been extremely rare.

There remains, however, a residual truth in the statement that the referendum works conservatively. Most radical or socialistic measures have been rejected at least once by the people after they have received the final assent of a majority of the representatives. It may even be admitted that when a measure is put to the referendum there is a fractious tendency to reject rather than to accept. A peasant in a rural district of one of the German cantons was asked why he and his fellow villagers always seemed to vote against the measures that were supported by the member whom they returned to the Legislative Assembly. "Well, you see," was the reply, "it is like this. If we say 'Yes,' it is nothing, but if we say 'No,' that is something for us." The adverse vote alone appears to be an exercise of power. Something must be allowed for this among the more ignorant portions of the people, but not too much.

There is in addition a truly favourable strain of conservatism

in the people. They will not vote for any large measure of centralised radicalism suddenly thrust before them. Their tendency is to prefer the canton which they know to the larger, vaguer entity of the federation. "My shirt is nearer to me than my coat," is their homely proverb. Besides, they are not easily swept off their feet by some taking theory into giving large new powers to any sort of government. They want to feel sure how it will work out, especially as regards taxation and revenue.

If this is conservatism, no doubt upon the whole the Swiss people is conservative, and to that extent the referendum worked conservatively. But can real progress be got faster than accords with the actual temperament and wishes of the people? That is the real issue, if we are seeking to estimate the worth of the referendum as an instrument of progress. It may be true, as Mr. Lowell, for example, holds, that "the people are really more conservative than their representatives,"¹ though the reason given, the popular rejection of radical measures accepted by the Assembly, is not quite convincing, for some allowance must be made for the feeling of doubtful representatives, when a measure regarding the merits of which they entertain no clear conviction comes up for consideration. They will be more readily inclined to give their formal assent, because they know that the ultimate and real decision rests with the people. A member who would not vote for a law if he knew his vote gave immediate validity to it will often vote for it if the real meaning of his vote is that the people are thereby enabled to consider and determine it. A law rejected by the Assembly will not be put to the people, a law accepted may upon demand be put; this being so, an affirmative vote in the Assembly will often express not a complete confidence in the utility of the law, but a desire to saddle the people with the real responsibility of rejection.

¹ Vol. II, p. 269.

But suppose it were admitted, as indeed is not unlikely, that the greater knowledge and higher average intelligence of the representatives does make them more progressive than the people. Are we thereby forced to the conclusion that the referendum blocks or retards progress? Only if it be assumed that the passing of the largest number of formally progressive laws constitutes progress. There are indeed some social reformers who appear to think that it is their duty to get themselves elected into office by electors who do not know how "advanced" they are, in order that they may use their legislative power to put on the statute book laws which express, not the actual will of the people, but what "ought" to be their will if they were as wise as their representatives. Now of this mode of forcing the pace of legislation it may be said that it is not democracy and it is not progress. No law is good *per se*, and true progress is not secured, but is actually retarded, by getting on to the statute book measures not acceptable to the people. The abiding tendency of the Swiss people has been to insist upon their Legislature accommodating the laws to the state of public opinion. This has sometimes meant a good deal of modification and of compromise, weakening the theoretic efficacy of a law, as in the case of the Alcohol Monopoly and the Factory Law. We have seen that even the interests and the prejudices of large sections of the people must be taken into account in framing a law: offence must not be given to powerful industries, local machinery of government must be preferred, expenses must be kept down. It seems quite possible that representative government, endowed with full legislative authority, might produce a larger crop of technically better laws in a given time.

But this "forced" progressive legislation suffers from two defects which outweigh its superficial advantages. In the first place, the excellence of a law largely depends upon the excellence of its administration, and a law passed in opposition to,

or in advance of, the general sentiment, will of necessity be ill-administered. This will be particularly true of nations accustomed to liberty in thought and action and resentful of public acts that offend their convenience or sense of justice. The difficulty of enforcing liquor legislation, compulsory school attendance, or factory regulations, that are opposed to the wishes of large sections of citizens, is a notorious example of the waste of progress in passing laws without due consideration of the actual sentiments of the people.

In Switzerland, with the fear of the people continually before their eyes, legislators must mould their measures to fit the practical requirements of the situation; they must go to their constituents and try to ascertain what the people want, so that they may hammer the theoretically good law into the sort of goodness that fits the people; perhaps, as in the nationalisation of the railroads and the national bank, they must make several "tryings on" before they get a "fit" which the customer consents to wear. Is not this a saner method than that their customer must take and wear a suit of clothes which must be well made because it fits the Apollo Belvedere?

Every true democrat rightly resents the "We know better what you want than you know yourself" attitude adopted by many defenders of the superiority of representative institution. A law, like a coat, must be made to fit the wearer, and the one to determine whether it does fit must be the wearer himself, not the tailor.

But not merely does a law passed in advance of public opinion by the superior intelligence of elected persons suffer from ill-administration, it suffers also from insecurity. A law forced on to the statute book against the will of the people may be undone by a change in the composition of Parliament. Radical measures which have won unpopularity because the country was not "ripe" for them, may be the cause of the return of a conservative majority which will repeal them. Indeed, a

growing practical defect of representative government with party legislation is that the passing of a law carries with it no finality, and that a large proportion of the energy and time of legislative bodies is devoted to repealing or amending the laws passed by their predecessors. This waste is inevitable under a Constitution which furnishes no way by which to test whether a law is or is not acceptable to the people who are to obey it.

It will be generally agreed that it is essential to the sound operation of a particular law, and indeed to the general confidence in the art of government, that a sense of permanency shall be attached to laws. No other method secures this so well as the referendum. It acts as an economy of the time and energy not merely of the representative legislature but of the people. It is not the least service of the referendum that it puts ideas and feelings which claim political attention to an ordeal. Under representative government a political project may engage public attention, arousing hopes and alarms for an indefinite time: the wildest and most foolish proposals may float about the public mind in empty phrases and platform cries, making or marring the fortunes of statesmen and parties, and corrupting the popular intelligence. No one is able to know how much support a project has or how much enthusiasm there is behind it. Even after it has entered the arena of practical politics, has been the subject of resolutions in the Houses of Congress, has been put into legislative form and voted down, it is not killed, but is liable to come up again and again if it contains any plausibility or seems useful for vote-catching at elections. Thus politicians are in constant dread of ghosts and chimeras whose unsubstantiality they cannot prove and whose reappearances they cannot exorcise.

In Switzerland it is different. If any plausible proposal comes up in politics, its backers know that the only way to secure serious attention for it is to put it to the test provided by the Constitution. Unless they are able to obtain enough sup-

port to get the formal registry of the Assembly so that it may go to the referendum, and can secure the necessary number of votes for the referendum demand, they cannot make good their claim for its importance; if it is submitted to the people and is voted down by a large majority, its fate is settled, if not for good, at any rate for a long period of time. The converse also holds. When a law is once accepted by the people, after the period of canvass and discussion that supervenes between its acceptance by the Assembly and the referendum, the seal of finality is set upon this act of policy; its stoutest adversaries usually accept the inevitable, willing to make the best of it. Reversal of the people's will thus formally and deliberately expressed is not contemplated as a serious possibility.

Here then we have one answer to the objection that the referendum retards progress. It may, perhaps does, lengthen the time between the early inception and the act of legislation, and may moderate the rigour of the law; but the laws that are thus sanctioned are better expressions of the popular will, are better received and administered, and have more security of permanence. This means more progress in the long run.

Even where parliamentary government is taken at its best, with a party system free from all the grosser forms of corruption, the referendum would form a serviceable support and complement, affording a peaceful test for closely contested issues, and associating the people with the work of government in a manner calculated to increase the popular respect for law. Every one values more that which he has had a hand in making.

But where party falls under the dominion of a machine operated by economic interests, utilising every known art of corruption and manipulation in order to bend public policy to private ends, by procuring laws favourable to their interests, it is difficult to devise any remedy so efficacious as the substitution of direct government for that indirect government which has broken down.

Some degree of efficacy may indeed attend the efforts to restore and improve the reality of representation by checking corrupt practices, by securing the greater freedom of the primaries, by imposing educational qualifications for the franchise, or by introducing methods of proportionate representation. But the final triumph of each or all these reforms of representative procedure is doubtful. They may result in converting the two-party system of England or the United States into the multiple-party system, into which parliamentary government has lapsed in most continental countries, leading to the promotion of legislation by a series of underground deals among the different groups, representing political, racial, business, or religious sects.

It is difficult to decide which yields the worst results, a two-party system run by powerful party autocrats in the interest of their paymasters, or the unstable group-system whose weakness forces government to rest more and more upon a powerful and practically uncontrolled bureaucracy.

A chief claim for the referendum is that it weakens party government and renders the machine innocuous. To the orthodox parliamentarian this will appear a perilous admission, for to him party and party organisation are essentials of good government. Hence the language of M. Deploige on the proposed referendum in Belgium.

"Parties are a necessity in a parliamentary system, and in spite of their exaggerations and inconveniences they are a distinct benefit in our country. They are the intermediaries between the mass of the electors and the leaders. They group and educate the citizens, they register the echoes of general opinions, they subject complaints to a sifting process, they recommend moderation to the turbulent, and tabulate the important matters in the order which seems to them most useful.

Once you divide them, break up their ranks, and destroy

their programmes, you will have deprived the people of their necessary guides, and you will only have before you a great multitude of errant or indifferent electors.”¹

To Americans who have seen the most complete development of party organisation, M. Deploige's rhapsody will seem a humorous travesty. The “education” of the citizen, the “moderation,” the “intermediation,” and above all the “tabulation” of important matters, “in the order which seems to them most useful,” are expressions which carry a sinister significance to students of the American party and its machine. It is precisely because each one of these theoretically serviceable functions has in practice become so distorted and corrupted as to form a separate menace to good government, that sober citizens are seeking earnestly for methods of diminishing the power of party. That party systems and party spirit have been of immense value at certain epochs of national development, no one will dispute. Whenever and so long as some single issue or line of public policy, absorbing the political attention of a people, divides them sharply into two opposing camps, the necessities of the situation render close party organisation necessary. But when the dominant idea or principle which formed the cleavage and inspired the party has died or departed, leaving the living organism to lapse into the form of a machine, no longer tenanted by a soul, but driven by forces generated from economic interests and pumped into the system to simulate a soul, each sort of service party is capable of rendering becomes a separate vice, the worst of which, perhaps, is “education.”

Indeed, quite apart from the perversion of the party system, a really intelligent democracy is inconsistent with strong party adhesion. In modern politics, where so many diverse issues of importance involving different principles and standards come up for settlement, honest and intelligent citizens cannot give

¹ p. xxiv.

that constant allegiance to party which was possible when a single principle or policy was paramount. Political education, if it is real, negates the possibility of such constant co-operation as is required to give validity to party. Indeed, we may go further and contend that the maintenance of an effective party system is inherently inconsistent with real democracy. For the kind of authority and discipline demanded for party organisation emphasises the distinction between leaders and followers, and whatever formal provision may be made for the liberties of the rank and file, the real power will pass into the hands of "bosses," who will be swayed by private interest or by the zest of the party game, while the practical impotence of the masses will breed apathy. If we are to have a really educated live democracy, responsibility must be brought home to the individual citizen, and this is impossible so long as he is taught to lean on and defer to party.

Party names and organisations have not indeed entirely disappeared in Switzerland, but their meaning and importance are slight. One hears of Liberals, Conservatives, Socialists, and Labour Men as forming "parties," and giving a party vote to certain measures. Something of the same import which these names would carry in America or England adheres to them in Switzerland; but comparatively few citizens would be described or would describe themselves as "belonging to" this or that party, and the same holds of the organs of the press, which do so much of the "education" for which party is supposed to stand. Even among politicians party allegiance is extremely loose, and excepting on certain few issues and in the less enlightened rural districts, where race and religious authority carry great weight, the party vote is a somewhat incalculable quantity.

Under the dominion of the representative system the hierarchy of influences runs, party, men, measures. Under the dominion of a sovereign people it runs, measures, men, party.

Not that there is less political organization in Switzerland than elsewhere. There is more. But citizens group themselves in leagues, societies, or in purely temporary associations, for the promotion of particular acts or lines of policy. Such organisations, of course, are found also under close representative government, but the work is weakened by clashing with the interests and activities of party. In Switzerland the initiators or enthusiasts of an idea which they wish to embody in a public policy can devote the whole of the energy to the single task of educating the electorate. In that work they will not encounter the bitter opposition of the party machinist, fearful of touching a project, the popularity of which is not assured. They cannot hope to carry through their project by cajolery or menace or log-rolling in the lobby of the party convention or the house; in order to succeed they must convert the people. They must, no doubt, cultivate the art of compromise; but compromise in order to conciliate bodies of voters by abating the asperities of a project is, as we have seen, essential to the wholesome action of democracy, and differs widely from the baneful compromises often forced upon the political managers of a law in its tortuous wanderings through the legislative houses.

Indeed no stronger argument for the efficacy of the referendum can be found than is afforded by a study of the difference in the mode of "educating" public opinion in Switzerland and in the United States. The vital difference is this. In Switzerland the early education is done by men who are genuinely convinced of the utility of their proposal. This was the case in the Nationalisation of Railroads campaign, the Alcohol Monopoly campaign, the struggle for the Federal Factory Law, etc. The speeches and writings by which the education was conducted were directed to the merits of the issue, and though appeals were doubtless made both to interests and prejudices, both sides of the case, stated with ability and honesty, were pretty certain to get to the ears and eyes of the ordinary citizen. It

was necessary to persuade the citizen that this measure was socially advantageous, and even if the citizen also scrutinised it closely to see whether it was a private gain or damage to himself, this is an ineradicable weakness in politics.

In the United States an educative campaign, to have any chance of success, must in almost all cases be undertaken by a party. Instead of going straight to the people the proposers of a measure will go to the party managers, the latter will scrutinise it, not to see whether it is in itself sound and serviceable, but whether it is capable of being so presented as a plank in the party programme as to evoke enthusiasm. If the party takes it up, the method of education differs very widely from that employed under a free democracy. Education for enthusiasm is not the same thing as education for conviction. Party propaganda distorts and exaggerates everything it touches; appealing primarily to attached adherents, it need not meet the arguments of the opponents, for partisans do not listen to both sides. Even if the project is unpalatable to a section of the party, it may be forced upon them as a plank of the party platform. Accepted in this spirit the legislative proposal may be made a mandate to elected persons by the votes of citizens who have never given any separate consideration to the proposal on its merits, or who, having considered it, object, but swallow their objection because of party!

Now, under Swiss democracy the fangs of political corruption, operative through "the machine," are drawn. Trusts, railroads, and other great capitalist organisations cannot control politics. It is possible to "influence" and even to "buy" legislatures, but it is impossible to buy the people. Even the railroad companies and the distilleries, two of the most potent business forces in the country, could not make a serious attempt to tamper with the popular vote in matters so important to them as the scale and mode of compensation when their businesses were nationalised.

In conversation Herr Forrer thus emphasises that fact: "There is no cure for the ills of capitalism so sure and complete as democracy. It is absolutely impossible to be sure that the people will vote as you want them to do. You cannot either force them or persuade them with certainty. Give the people the referendum and the initiative; let them vote often enough on public questions, and it will be impossible for corruption to exist. Have a campaign once in a while, have an election of representatives whose laws are not submitted to the people, and it may be possible to corrupt the public, but not when they can vote five or six times a year."

Concrete proposals, not party, become the basis of organisation and of education under direct democracy. Leagues and societies for the promotion of single issues or lines of policy thus tend to displace general "party" organisation. The political machinist can no longer pump his will down the machine, and by rigging primaries, imposing delegates, packing conventions, dictating programmes, manipulating committees, convert a notion or an aspiration into a law which the people is bound on penalty to obey.

Neither can he use the same machinery to prevent the strong definite desire of the majority from taking legislative form. Since he can no longer determine the fate of a law, or the disposal of public money, or the bestowal of lucrative offices, or procure immunity for breaches of the law, his paymasters will no longer pay him for goods he is no longer able to deliver, and so the machine can no longer be worked as a profit.

Thus the party system inevitably withers under the growth of direct democracy. If the vote of the entire people must confirm every important and contested act, if the people can force any measure to the test of a popular vote which has legislative validity, the despotism of the machine is broken, and party, abandoning the preposterous position it has usurped, resumes its modest place as a loose voluntary association of like-minded

citizens working for a common policy which is wider and more continuous than that of separate leagues that devote themselves to ripening some one concrete proposal for legislative action.

The referendum and the initiative have broken party government in Switzerland.

To the stalwart parliamentarian this seems to negate the conduct of representative government. How can ministers preserve unity of policy or even formulate with confidence a policy at all, unless they are assured of the steady support of a majority of members of the legislative assembly, and how can this support be assured without strong party organisation?

The sovereignty of the people, directly exercised in acts of policy, neither demands, nor is consistent with, the doctrine and practice of collective ministerial responsibility, as known either in the United States or in Great Britain. The Swiss Ministry, the members of the Federal Council, though primarily ranking as the executive authority, have important legislative functions. The Council can draft and introduce legislative proposals, and can propose and discuss them in the Assembly, though their members have neither seats nor votes. In fact, the framing of the legislative policy rests largely with the Council. The latter, if it is to get through its measures, must, in the first instance, rely on the support of a majority in the two houses. But this majority it cannot command through the bond of party allegiance, for in the first place there is no presumption that the Federal Council itself unanimously approves the measure introduced by one of its members in its name, or even that the members of the Federal Council are all adherents of the same party. If a measure favoured by the Federal Council fails to get the vote of the houses, it may still become law through the use of the formulated initiative and the referendum, while the acceptance of the two houses does not secure the measure if, on submission to the people, an adverse vote is given. Not only the loose condition of parties but the exercise of direct

popular legislative power negatives the practice of collective cabinet responsibility.

"The Federal Council represents no one body in the Federal Assembly. It is usually composed of members of the left and centre groups — that is to say, of Radicals and Liberal-Conservatives; but in 1891 a member of the extreme right, Dr. Zemp, the clerical representative of Lucerne, was elected Councillor, and in 1894 was promoted by a three-to-one vote of a dominantly Radical Assembly to the office of President. Nor is it even necessary that the majority of the Council should share the opinion of the majority of the Assembly. From 1876 to 1883 four of the seven members were Liberals and three Radicals, though the majority of the people's representatives were Radicals.

"It follows from this non-party character that the federal executive is not expected to be unanimous. No measure, it is true, may be brought before the Assembly unless it has received the votes of the other ministers, but it is a mere matter of form, and a Councillor feels himself in no way bound to support a bill of his colleague because he has been obliging enough to give it his vote in order that it may be debated in the Assembly. What is more, he has no hesitation in opposing it openly, and members of the Council have even been known to argue against each other in the Assembly.

"To Englishmen it would seem impossible that an executive made up of persons of different political views, and unconnected by any ties of party loyalty, should constitute a strong and efficient administrative body. One would expect such a casual coalition to spend its time in quarrels and fruitless discussions. As a matter of fact, however, it works very smoothly. This is partly due to the placid dispositions of the Swiss Councillors and their willingness to accept a compromise. But such a result could not be possible if the Federal Council were in any sense a "responsible Cabinet," obliged themselves to lay

before Parliament and the country a distinct policy, and expected to resign collectively or individually if that policy or any part of it were defeated. No idea of responsible leadership enters into the relationship between the Federal Council and the Federal Assembly. Each minister is elected as an executive official to carry out within his own department the will of the Assembly and ultimately of the whole electorate.”¹

In other words, as the referendum, by destroying the technical and moral strength of party, educates and emphasises the individual responsibility of the ordinary citizen, through imposing on him acts of judgment in concrete issues of policy, so it operates similarly both in the legislative houses and in the Federal Council. Members of the House are not impelled by considerations of party allegiance to subordinate their personal judgment upon the merits of a measure to the party view, speaking and voting, not according to their freely formed opinions, but according to the coercion of a party whip. So in the Federal Council the fact that two or more parties may be and usually are represented is a guarantee for the effective criticism of measures which cannot exist where a Cabinet is drawn entirely from one party, while the separate individual responsibility of each minister enables each act of policy to be determined upon its merits, which cannot be the case where its adverse fate may involve a party crisis and a change of government.

As in the general evolution of punishment a definite step in ethical advance is marked by the substitution of individual for tribal or family responsibility, as embodied in the maxim, “The soul that sinneth it shall die,” so in the sphere of politics, when it becomes feasible to confine the responsibility to individual ministers, a similar ethical and political advance takes place. When a particular law is in point of fact the creation of an individual minister, it is unreasonable and inexpedient that his

¹ Miss Thom (Mrs. Knowles), Introduction to Deploige’s *The Referendum in Switzerland*, p. xxvi.

colleagues, most of whom may have taken little actual share in its preparation, and some of whom may have strongly opposed its main principles, should be assumed to be in complete accord with its author, and to be equally blameworthy with him in case it turns out a failure. It may well be admitted that this false pretence of unanimity is inevitable under a purely representative system, but the possibility of superseding it by a mode of procedure which more correctly interprets the real facts must be accounted a great political advantage. The amount and the nature of the "concessions" involved in the doctrine of collective ministerial responsibility are felt to be degrading by politicians of nice conscience, and serve to deprive the public service of some of its most valuable servants. The same is true of the dominion of the party system and spirit in the houses; the inhibition of free and fearless individual judgment and its expression involves a similar perversion of truth. That a number of men, chosen to speak and vote in accordance with their personal interpretation of the true public interest involved in acts of policy should habitually subordinate this duty to the cause of party is in reality a mode of misrepresentation. Under the strict party system there is upon each issue a false dramatisation of judgment which presents two sharply antagonistic views instead of the ten, twelve, or twenty variant views which would appear if members were free to form and to express a judgment of their own.

In Switzerland, where a ministry need not resign when an important measure drafted by it is rejected either by the houses or by the nation, where even the individual minister in charge of the rejected measure can retain his seat, the interests of the public are far better served than by a collective responsibility which implies either a false unanimity or a frequent change of personnel.

It is, however, charged against the Swiss system that, by diminishing the legislative power, enjoyed by the Federal Coun-

cil and the Federal Assembly, a loss not merely of collective but of individual responsibility is incurred. Not merely can a member of the government retain his place after his measure is defeated, but an ordinary member of the Assembly is not necessarily rejected by his constituents at the next election because they disapprove of votes which he has given.

If, upon the whole, they like and trust their member, they will return him, though they are aware that upon one or more of the leading issues of the day he does not voice their view; for when the matter comes to the referendum they can undo the effect of his vote in the Assembly.

This seems to imply that neither minister nor member wields the same amount of power as in America or Great Britain. Able men who value personal power, and are qualified to use it well, will, it is argued, be reluctant to enter political life under these conditions, while those who are there will view their legislative functions too lightly.

Nor, it is contended, is this diminished responsibility of representatives compensated by increased responsibility in the people. In a representative body the members are under the eye of the public; they are responsible and feel it. But in a vote of the whole people every individual is lost and people vote by blind instinct, selfishness, or passion. Such is the contention of the opponents of the referendum.

The issue of responsibility is indeed a critical one. But the comparative politics of to-day do not support this interpretation. It is not true, as we have seen, that the representative system in America, or even in Europe, anywhere supports or permits a high degree of real responsibility in the individual members of a party. In particular the movement for the referendum and the initiative is everywhere inspired by the conviction of the people that the responsibility of representatives is not and cannot be secured. On the other hand, it does not appear that a referendum, as exercised in Switzerland, is a

blind movement of a mob-mind. Our inquiry into the history of the most important acts of policy done by the referendum shows that in nearly every case a genuine education of the electorate is involved and that sudden instinctive passionate action is extremely rare.

That a referendum of the Swiss people is a fully enlightened expression of the general will, embodying the keen responsibility of all or most of its individual members, cannot be pretended. A considerable proportion of the more inert electors do not vote. Indeed the large percentage who refuse to take part in the referendum is sometimes made a reproach against it, though without much reason. For when the actual confirmation or rejection of a law is achieved by a vote which is less than half of the total electorate, the general will is none the less effective. Those who are too ignorant or indifferent to vote may fairly be disregarded, and the decision of a majority of actual voters, however small the actual number of recorded votes may be, is still entitled to rank as the true expression of the national will.¹

The altered attitude towards the responsibility of ministers and members of Parliament, which direct democracy has brought about, has had the beneficial effect of securing a far higher continuity in political offices than is possible under representative government.

The Federal Council indeed partakes very largely of the character of a permanent official service. From 1848 to 1895 there were only thirty-three Federal Councillors, the average period of office being over ten years, only two cases being recorded of Councillors failing to obtain re-election when they stood for it. The same holds, though not quite to the same extent, of membership in the Federal Assembly. It is not deemed necessary to dismiss a valued and experienced public

¹ Analysis of the votings from 1874 to 1895 shows that they varied from 71.9 per cent of the electorate to 43.5 per cent.

servant because you disagree with some of the votes he gives, for the referendum enables you to correct his errors. In 1887 only forty per cent of the seats were contested; in the 1896 election there were only twenty-five new members out of one hundred and sixty in the National Council, and only eight new members in the Council of States.¹ This means very little excitement about elections, no elaborate electioneering, no disturbance of business and no corruption.

The net result is that the legislative and executive functions are mostly fulfilled by men of considerable experience, and a high degree of continuity of administration is secured.

To a large extent, it may be said, the government is in the hands of "professional politicians," but the stigma which attaches to this designation under the party system, when the politician is a servant of the machine, keeping one eye on the "boss," the other on the "spoils," entirely disappears when direct democracy has ousted the machine.

Of course it is true that the stability thus given to political officers implies that they are less susceptible to the changing play of public opinion than would otherwise be the case. The Federal Council in particular goes its own way, considering, preparing, and drafting measures to be recommended to the houses, without keeping its ear continually to the ground, or calculating how the present popularity or unpopularity of a proposal will operate at the next elections.

The stability thus imparted to the elected officers goes very far to offset the diminished prerogative in legislation which the referendum and initiative imply. It is not true, as is sometimes held, that the practical effect of this popular exercise of legislative powers is to reduce Parliament to the condition of a mere advisory committee with no real authority.

Though the formal sovereignty is vested in the people, the fact that they can override the decisions of the elected assem-

¹ Deploige, pp. xxviii and xxix.

blies does not make the debates and votes of these bodies negligible factors. The assemblies are strong, and wield a very genuine authority, because their members are known and respected. It follows indeed upon the continuity of office, and from the habit of close frequent contact with the people which direct democracy requires, that most important Swiss statesmen are personally known better and more widely than is the case with the statesmen of other nations. Not only have men of the stamp of Numa Droz and Forrer wielded a personal authority in politics which, operative partly through the elected legislature, partly by direct action on the popular mind, is probably as great as that exercised by any great party leader such as Blaine in America or Gladstone in England, but men of the second rank in light and leading obtain at least as large a meed of influence and honour as in those countries where their direct personal determination of political issues is greater.

Thus the referendum and initiative, though extirpating many of the defects and abuses which party domination fastens upon representative institutions, does not destroy the representative system or sterilise its useful functions. So far as it is possible to form a judgment, the Swiss get out of their elected officers at least as valuable services as any other nation and hold them in as high esteem. The influence of members of the Legislature is primarily due, not so much to the power attaching to their office, as to the personal reputation they enjoy among their constituents and among the nation at large; for the direct co-operation of the people with the legislative assemblies in the making of laws brings the representative into close and constant touch with his constituency. If he is a man whose knowledge, experience, and judgment carry weight, his real legislative power will not be confined to his speech and vote in the Assembly. When an important issue is before the country, especially in the educative interval between the passage of a law by the houses and its submission to a referendum,

his voice will be at the service of the electorate for exposition and for conference, and the fact that he is known to be no servile partisan whose seat and political career will be imperilled if the issue goes against his party gives greater value to his counsel and enables him to exert a larger measure of personal influence in the determination of the popular vote.

This brings us to the true test of democracy in Switzerland as elsewhere, the question how to secure the free play of the general will expressing itself in concrete acts of government through the multitudinous units of intelligent personality. Merely representative government is not democracy, however wide the franchise, however proportionate the representation, because it embodies no provision fastening a conscious continuous responsibility upon the minds of the citizen-voters. This can only be secured by associating the electorate, not with some general selection of members of Parliament at regular or irregular intervals of several years, but with the direct distinct indorsement of acts of policy. Defenders of the representative system are compelled to admit that sound representation depends upon the political intelligence of the electorate and their realisation of the nature of the legislative functions members are called upon to exercise, as well as upon their general confidence in the character of the candidate for whom they vote. Now this intelligence and this realisation are not adequately stimulated and sustained by mere participation in the choice of persons who are to legislate for the people. Still less is this the case where party organisation has such control of the electoral machinery as to designate the candidate, select and misrepresent the issue, and fan the flame of party spirit among the electorate. In a representative parliament thus elected there is no adequate security that the measures passed command the free intelligent support of the majority of legislators, still less that they express the will of the people. If government by the people for the people is

desirable, it can only be secured by giving the people an effective veto on the acts of those to whom they have accorded a general power of agency, accompanied by an initiative enabling them to compel consideration and submission of issues which come up in a form or at a time that precludes the pressure of a mandate through the ordinary channels of election.

By no other means does it seem possible to stimulate that intelligent participation of the people in government which is democracy, to ensure that any single act of the Legislature commands the support of a majority of the people, and so to secure that chief economy of political progress, the general confidence in the wisdom and stability of acts of policy that are "broad-based upon a people's will."

APPENDIX

THE FREQUENCY OF VOTING

THOSE who are unfamiliar with the working of the referendum often express alarm at the frequency of voting which they think it must involve. In point of fact the tax upon the machinery of government and the time and trouble of the electorate is not heavy. The forty-seven votes taken on federal laws and amendments during the thirty-two years, 1874-1906, involved only thirty-four separate votings, just over one per annum. To these may be added four separate votings on the six uses of the initiative.

Even in those cantons, the majority, in which the compulsory referendum is employed, the burden, though heavier, cannot be considered intolerable. In Zurich, for example, there were submitted to the people during the years 1869 to 1893 one hundred and twenty-eight measures, ninety-nine of which were accepted and twenty-nine rejected. But as a rule these votes are taken in batches at a spring and an autumn

voting, three or four laws being presented at the same time. In Berne, where the referendum is also obligatory, the people voted on ninety-seven cantonal measures between 1869 and 1896.

The citizens also have to vote upon municipal affairs. The burden of the triple obligation to the commune, the canton, and the Confederation is, however, lightened in many instances by an arrangement familiar to American voters, by which a number of votes affecting the several areas of government are taken at the same time and upon the same voting paper. The citizen of Geneva or of Bâle generally counts upon six or seven separate invitations to record his judgment during the twelve months.

CHAPTER XV

THE FRUITS OF DEMOCRACY

THE account here given of the structure and working of Swiss political institutions shows that the sovereignty of the people is more complete, more direct, and more effective in its exercise than in the United States. Within the individual state there is for the most part no barrier upon the power of an absolute majority to express itself in legislation, save on such matters as are expressly reserved for the federal government. Neither Governor nor Senate possesses any veto which enables them to thwart the desires of the people: the refusal of one or both houses does not prevent the peoples in most of the cantons from passing their laws through the use of an initiative and a referendum which overrides and disregards the elected bodies; not only legislative but constitutional changes are effected by the same bare majority.

In federal affairs, the maintenance of the concept of state rights requires that constitutional changes should receive the endorsement of a majority of the states as well as of the general electorate, but here too a bare majority suffices; and this power of the people to effect constitutional changes has, through the "formulated initiative," developed into a practical power to initiate legislation which, though not complete, goes very far towards giving to the people a competency of legislation co-ordinate with, or, in case of conflict, superior to, that of the legislative assemblies. The people can in effect legislate independently of the legislative assemblies both in the cantons and the federation: no veto of president or gov-

error, or of one¹ or both of the houses, being technically competent to check the power of the people to translate its will into law. When the initiative for federal legislation is, as seems likely to be the case, added to the "formulated initiative" for constitutional changes, the technique for direct popular law-making will be practically complete. None of the checks which are so potent in America are here operative: there is no president or governor whose consent must be won, no Supreme Court to pass upon the constitutionality of laws, no indirectly elected Senate with specially reserved powers designed to check the popularly elected House; no three quarters majority of states is required for constitutional amendment. Executive officers in Switzerland are endowed with none of the dictatorial powers they exercise, as president, governor, or mayor, in the various governmental areas of America. Nor is there any scrap of the baneful provisions for forming and mechanising the free will of the people by forcing it to operate through party machinery, which we find in America. With a full and easy franchise, loose party attachments, no spoils, and temporary organisation for specific issues, the will of the people flows free, if not always well-informed, through the broad provided channels of legislation. The referendum and, to a less extent, the initiative, are definite calls to the free individual exercise of civic duties of a more responsible and therefore a more educative and ennobling character than the party voting which elsewhere so commonly usurps the name. The ideal of the Swiss is not to elect benevolent and honest despots, to whom they shall transfer for long spells of office the duty of governing for the people: the Swiss nation is to govern for themselves, using officials just for what they are worth and can be trusted to do.

We have seen them during the last half century steadily and persistently moving towards a completion of direct demo-

¹ Eighteen of the cantons have single chambers.

cratic government in which all matters of debatable policy, not involving sudden emergency, shall be determined by the vote of the people, the representative councils being used as consultative and preparatory instead of final legislative bodies. The same people have also shown a growing disposition to claim and use the right of modifying their constitutions, so as to adapt them to the changing demands of modern life, and to elect their executive officers directly instead of indirectly.

Endowed with these new powers, they have employed them to effect a number of important legislative and constitutional changes which have had important reactions upon the political and economic structure of national life. Profoundly influenced by sentiments of local self-government, and suspicious of any encroachments or even enlargement of the federal power, they have nevertheless been led to take a number of steps increasing the prerogatives of the central government in matters involving not infrequently an actual diminution of the governmental power of the cantons.

The driving force in most of these cases has been the actual unity of national interests, imposed by the new conditions of transport and of commerce, breaking up the economic separation of the cantons and their once self-sufficing valleys. The railroad, the telegraph, the rise of large manufactures, the tourist trade, to name the leading new economic circumstances, forced an increased co-operation of the cantons, involving a reflection of this increased union in the political institutions of the nation. Swiss nationalism, as a conscious factor, is not particularly strong, but it is growing, and is fed continually by the new functions of the federal government which form the chief outward and visible signs of the new national unity.

Differences of race and language, imbedded in ancient territorial cleavages, make the process of national fusion slower than has been the case in the United States, so that although the activities of the federal government, as compared with

those of the state, are somewhat more numerous, and penetrate closer into the workaday life of the people than is the case in America, the natural unity in Switzerland, psychologically or sentimentally considered, is less advanced. This doubtless is due in no small measure to the fact that federal laws are almost entirely administered through cantonal officers, so that in the most impressive forms of judicial procedure the majesty of the Confederation is concealed. But the steady continual growth of the structure and functions of the federal government, and the slow growth of national feeling that accompanies it, is a first and supremely significant product of Swiss democracy. This significance is enhanced by the fact that theory or wide-seeing statecraft has had little part in bringing it about: the premature centralism of the first Napoleon was speedily and almost wholly shaken off. Each step taken in the march of federalism has been taken on its own account and because it seemed to yield definite practical advantages to the majority of the people. Yet the movement itself, as we have seen, has not been slow and has given to the Swiss federal government certain powers the lack of which is a grave source of national weakness and waste to the sovereign people of the United States. The national ownership of the railroads and the national control over industrial legislation are the most important instances of the superior federalism of Switzerland, both the direct first fruits of the referendum.

The other trend of Swiss democracy with its free play of popular legislative forces is towards carefully guarded forms of experimental socialism. Alike in the commune, the canton, and the Confederation, the power of the people is applied to substitute public ownership for private monopoly, to safeguard the community in their capacity of producers or consumers against injuries incident upon the conduct of private business enterprise, and finally to furnish out of public resources a sound basis of opportunity, economic and intellectual, to the body

of citizens. These three chief socialistic tendencies of the modern state are represented in Switzerland by a variety of legislative experiments, set on foot to meet some concrete grievance or to satisfy some definite felt want of the people.

As a tributary to this same stream of socialistic tendency we may mention the progressive system of taxation adopted by a growing number of the cantons, and applied to income, property, and inheritance. When we bear in mind the retention of considerable portions of public lands by the communes or by semi-public trusts, we shall perceive that Swiss democracy aims in one way or another at building up bulwarks of social support which prevent her citizens sinking to the economic status of mere proletarians, entirely dependent for the subsistence of themselves and their families upon the precarious sale of their labour power to capitalist employers.

This socialism is with them almost as instinctive and opportunist as their federalism. It nationalises the railroads, not from any theory that the general highways ought to belong to the people, but from the slowly growing pressure of a number of practical considerations; it undertakes the alcohol trade, not to stop drinking, but to check the ravages of a particularly pernicious kind of spirit; it establishes cantonal banks, extends factory legislation, promotes public schemes of insurance, to meet the practical requirements of the people in the several localities.

The achievements and the methods of this operative democracy, as exhibited in the meagre sketch we have been able to give, serve to furnish some plain indication of the character of the people. Here, after all, lies the supreme test. What sort of a people is it that expresses its free collective will through the democracy, and what in return is the influence of the democracy upon the character of the nation?

Some things may be said with certainty. We have not to do with a policy moulded and motived by idealists or by bureau-

cratic formalists. Though notions of political reform, here as elsewhere, commonly take definite shape through individual thinkers or statesmen or enthusiasts, they cannot, as is possible in less popularly governed states, pass into policy straight from the hands of their maker by a process of authoritative push. Swiss democracy is an anvil upon which every project is hammered out of its original shape before it becomes law; it must receive the very impress of the popular will, not merely through the formal vote which constitutes it law, but through the multifarious handling of council, commission, and assembly needed to mould it into acceptable shape. Thus it comes about that such a measure as the Alcohol Monopoly Law is directed with special provisions, exceptions, and protective considerations designed to allay suspicions, to conciliate interests, and to avert antagonism.

As a logical or theoretic product the law suffers, but this hammering has made it just so much more the creature of the popular will and the better adapted to the actual work it was designed to do.

The ordinary citizen is not shoemaker enough to cut and make a pair of boots, but he knows better than any shoemaker whether the boots made for him fit, he can tell where the pinch is, and will send the boots back until they have been adapted to his feet. This is the principle of the referendum; it imputes no superstitious wisdom to the man in the street; the latter is no legislative expert, but he knows his needs and those of his neighbours, and he and they know when they are "suited" with a law. Laws made under such conditions, like shoes, will fit their wearers better.

A concomitant but hardly less important gain is that laws are not multiplied needlessly, turned out wholesale by a legislative machine, or (changing the metaphor) spawned by a low-type organism.

The political peril of a multiplication of laws, so amply

illustrated by the machine method of certain American states, is no mere modern phenomenon. The damage done when any individual or "interest" with sufficient "pull" can get a law put on the statute book is summarised with epigrammatic mordancy by Tacitus when, writing of the worst days of the Roman Empire, he said "*et in corruptissimâ republicâ plurimæ leges.*" In Switzerland only laws accommodated to the requirements of the people are allowed to pass. Of course the people sometimes make mistakes. One of the best effects of a practical application of real democracy is to dispel the illusive halo of false sentimentality with which mere theorists and orators have decorated the principle of popular government. If the voice of the people is in Switzerland "the voice of a God," no one knows better than the ordinary Swiss citizen what a very human sort of God it is that speaks through the popular vote. But in collective as in individual man the "divine" grows only by process of experience.

If there is ever to be a noble type of democracy, it can only come from a less noble form gradually evolving by the exercise of freedom in those determinate acts of choice which are the making of the social personality. It is not difficult to find flaws in the recent political conduct of the Swiss people: short-sightedness, industrial class interest, religious bigotry, cantonal jealousy, that narrowly practical view of life called materialism, have found clear expression in not a few popular decisions. An oligarchy of superior persons might have turned out laws which escaped these flaws, but the technically better law-making would have been worse for the people. A right understanding of democracy requires that the people should be free not merely to make "good" laws but "bad" ones, to commit those errors which express its lower nature and to learn from the suffering it involves.

Every moralist is familiar with this truth as it applies to the individual organism; though less willingly admitted,

the truth has the same importance as a canon of collective progress.

That Swiss democracy, the outcome of the national character in its environment, produces wholesome reactions on that character, no serious student of national psychology can doubt. The consciousness of exercising popular sovereignty does make some difference even in the bearing of the ordinary citizen. In the less advanced cantons among the rural population, especially in the Catholic districts, there is perhaps as much ignorance of wider public issues as one would find among English labourers in Dorset or Berkshire, though even there the Swiss have some real though narrow training in the management of local affairs virtually denied to English peasants. But a very large and an ever-growing proportion of Swiss citizens maintain a more sustained and better-informed interest in the politics of the canton and the Confederation than are found among the people of corresponding social and economic status in America or England. Though the majority may not take their sovereignty very seriously, it is not possible for strangers from less democratic lands to mix among them without recognising that the fact of this sovereignty imparts a certain dignity which is due to the direct impact of democracy on personality.

Step from Geneva over the neighbouring French boundary, from one republic to another, you seem to feel the difference between a self-governing and a bureaucratic over-centralised state. The Swiss character, as it has been here exhibited, is solid and practical, as becomes a people whose energy has been chiefly engaged in winning a livelihood from a difficult soil, in a trying climate, under natural conditions confining co-operation and commerce to narrow areas. Civilisation and culture in their full significance are plants of slow growth in such a soil. Connoisseurs of culture will find even the most developed of the Swiss cities lacking in "*joie de vivre*," and in the more luxuriant beauties of the choicest cities of Italy, France,

or Germany; though for the general level of comfort, health, good order, and external equipment, Geneva, Zurich, Lausanne, Berne, and Bâle are probably superior to any other cities of their size. In the creative activities of the fine arts and of literature the Swiss do not excel, and though scientific curiosity is well cultivated, it yields high average products rather than distinguished achievements. There is good reason to regard the Swiss as sound ordinary human stuff, evolving under rather arduous but fairly representative conditions towards a type of society which expresses no particularly favoured set of circumstances, such as have given brief brilliancy to other small states in history, like Athens or Venice, but is indicative of a slow popular self-development on a basis of political and economic equality.

Normality is of course always a matter of degree, and it is not difficult to point out special circumstances favouring and determining in peculiar ways the democracy of Switzerland. But it is right to recognise that there is nothing in the stock of the Swiss people or their history to justify us in attributing to them any special "genius" for "democracy," or in supposing that what they have done in developing effectively the arts of direct self-government other nations cannot do. So far as "stock" can be said to have been a determinant factor in the making of their democracy, it is that Teutonic stock which by infusion and admixture is present in so many nations on the European and American continents. Nor can the internationalism or cosmopolitanism forced upon parts of Switzerland during important formative epochs of her history be seriously regarded as affecting the types of her political institutions. What is undoubtedly to be considered a condition of the earlier ripening of genuinely democratic forms, viz., the survival of solid nuclei of political and economic freedom in many of the communes and some of the cantons during the dark ages of feudal and later oligarchic dominion throughout Europe, does

not affect the ultimate and supremely important question, how far the forms of direct democracy which are blossoming in modern Switzerland can be taken as normal fruits of the common spirit of democracy, to be followed, not in slavish imitation but in free adaptation, by other nations following the same course of evolution.

Switzerland has been more fortunate than other countries in conserving some of the germs of democratic institutions adapted to modern popular needs and in ripening them in due season. Do not let us be deterred from recognising in these products whatever they contain of common advantage for our democracy. There is a school of political thinkers whose cultivated opportunism, masquerading as patriotism, leads them to develop a doctrine, that each nation has an entirely different set of political problems to solve, that each of these must be treated separately upon its own merits, and that we can learn little and apply practically nothing of what has happened to other nations. Now this is an essentially false and injurious doctrine, inimical to true nationalism, in depriving us of the free use of the example of other nations, and still more inimical to that wider and stronger internationalism which is fed by a sense of community of human needs and modes of satisfaction and the fuller intercourse involved.

The likeness in mankind is incomparably greater than the difference, and this prime principle of human equality applies to nations and their histories as to individuals. The notion that a new nation may safely and conveniently go its own gait, working out a free destiny in the void of history, is indeed a fatuous form of insolence, involving a heavy penalty in waste of progress if not in tragical disaster.

But Switzerland we are told is "such a little one"; modes of government suit her that must *ipso facto* be unsuitable in such a country as the United States, or even in Great Britain with its great congested population of town dwellers. That size makes

a difference in the applicability of political forms is a general truth which is beyond dispute; but this admission by no means involves the judgment that any political institution which is found to work well upon a small scale must work ill on a large scale. The size of a country or a population is sometimes as irrelevant a consideration as the size of an individual. One does not conclude that because alcohol is a noxious beverage for little men it must be wholesome for big men. Similarly, the assumption that because the referendum succeeds in Switzerland it would fail in the United States is quite unwarranted. The truth seems to be that the ballot is the most expansive of political inventions, an increase of area involving very little increased complexity of use or irregularity of result.

Moreover, the argument for an extended and regular use of the referendum and the initiative in a working democracy is no mere plea for the preference of one method or instrument. It is a plea for the application of a principle, that of direct as opposed to indirect participation of the body of citizens in the critical determinant acts of government.

The size of a nation and the complexity of its public affairs may be good grounds for safeguarding the application of the principle of popular sovereignty lest the people should be unduly burdened and bewildered with the numerous or improper calls upon its judgment; they cannot be grounds for denying it the opportunity of direct separate decision upon the crucial acts of its political career.

It may, however, be frankly conceded that some of the conspicuous and most admirable traits of Swiss democracy are directly traceable to the smallness of the nation. It is a deep-seated illusion to suppose that either the future or the present lies with great empires. At present the most highly civilised nations of the world, if we test civilisation by the culture of its inhabitants and their capacity for orderly and progressive government, securing substantial justice and equality of oppor-

tunity for all, are the small peoples of the old and new worlds. In Europe we have more to learn that is worth learning from Denmark, Holland, Sweden, and Switzerland than from the great empires, and in the new it is New Zealand that yields most true light and leading along the path of real democracy.

It is natural that Switzerland should get a better and a fuller use out of her democratic institutions than Great Britain, France, or the United States. For it has no policy of territorial expansion to waste the energy and to corrupt the character of its people, and no great speculative sources of wealth to strangle honest industry.

Happy Switzerland! It has no coast, no navy, no colonies, no empire, no masses, no new wealth and very little old wealth, no trusts and no departmental stores, and though some of the internal troubles which beset other civilisations may arise here, the power of the people will be better able to cope with them. Confined within the narrow limits of her little land she is forced to concentrate her energy upon her internal resources. Here we have a key-note to the genuineness of her democracy, the counter-foil of the infinities of the great nations. While the aristocrats of England and the millionnaires of America are crushing together an entire vintage of greed — red, black, white, yellow — in the imperialism which uses union to teach undying hatred, the Swiss are giving the finest example to be found in all history of the union of races in peace through mutual respect and reciprocity, democracy, the free expression of different races.

We have said that the Swiss are not pre-eminently idealists or sentimentalists, even in the better significance of those words. Yet they realise better ideals and truer sentiments than other nations more advanced in the material arts of civilisation.

Education, liberality of mind, a peaceable disposition and a regard for the rights of other nations are necessary qualities for their survival and well-being. The value set by the Swiss

people upon knowledge, not only science but history and "the humanities," is well attested by the splendid simplicity of the inscription which stands on the portico of the principal edifice of Geneva University: "Le peuple de Genève en consacrant cet edifice aux études supérieures rend hommage aux bienfaits de l'instruction, garantie fondamentale de ses libertés."¹

People say that Switzerland and New Zealand could do "these things" because they were small countries. But "these things" are things all people must do if they are to survive — that is, survive as democracies. Evidently, therefore, we must make ourselves "small countries," *i.e.*, countries in which the citizens know one another; in which their affairs are within their comprehension, imagination, and control; in which the centre is not out of reach of those on the circumference; in which the machinery is not so massive that the mind and the hand of the common people cannot grasp it.

This is the secret of the cry which has arisen in every age of democratic renaissance for decentralization, home rule, simplicity, etc. In our corporations, in the church, in the English co-operative movement, in New York politics, everywhere that organisation exists, there comes on this struggle between the two tendencies: to centralise, to decentralise; to usurp, to free; to integrate, to disintegrate.

We can have centralisation safely only if, at the same moment as we aggrandize and develop the centre, we aggrandize and develop the individual in himself and in his control of the centre. We need not hope, need not even wish to achieve equilibrium.

When this contest between the opposing forces is ended it will be because death has come. When the centre is too weak, as it was in the American Confederation, a strong centralising movement will spring up. When the centre is too strong, as it

¹ "The People of Geneva in consecrating this building to the higher studies, render homage to the benefits of Education as the fundamental guaranty of its liberties."

is to-day, in all our political parties and in the government of our corporations, there will arise spontaneous movements to protect the rights of stockholders, and through rehabilitation and the primaries, and in other ways, to make the people masters again of their own political machinery.

For these purposes, in all fields of association, — not in the political alone, but in churches, corporations, clubs, societies, wherever organisation is used as a vehicle for a common energy, — no method seems so adapted to kill the efforts of the ambitious, the unscrupulous, and the too good, to fortify themselves in the centre, as this institution perfected and perpetuated by these simple mountaineers. By this simple and ancient device they have kept burning for centuries a more vital democracy than can be seen anywhere else. By this institution the individual knows himself to be at once an independent and efficient unit of the centre and circumference. If more force is needed at the centre he gives it and in submitting to it, knows that he is intelligently and as a free citizen submitting only to his own authority co-operatively with that of other equal individuals.

If more independency is needed by the individual, the commune, the canton, he withdraws the needed amount by recalling his representative, by proposing and passing a law, by amending the Constitution. With this instrument he can prevent the clique, cabal, ring, junta, usurper, more clearly than is possible anywhere else. In no other country in the world, not even in paradisaical New Zealand, is the citizen so thoroughly an individual as in Switzerland. The Swiss is proudly conscious that in himself he is not only voter, but official; he can feel in himself that he is part president; part senator; etc. The state of mind of an Englishman who worships a king, or of an American who speaks as Long did of "the President under whose Majesty"; or of a public like that of New York which cannot have its street railroad tunnel made safe for itself; or of a people who lament that they are powerless to rule their own party or their

own city, is unthinkable to a Swiss. The Swiss people are very crude in many things: their economic condition is much depressed; they have a bad political economy; they treat their women, if not shamefully, without the least concession of the democratic right and individuality they claim for themselves. But at least in this matter of keeping balanced the respective power of the individual and organisation, preventing usurpations, keeping the social servant a servant, though he would as gladly become master as any other servant, the Swiss are ahead of the world, and have achieved one of those perfections of structure which in the social biology must be regarded as a "final form," as the structure of man is a "final form" in the animal physiology.

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